

Wylie Campus



Annual Comprehensive Financial Report

*For the years ended August 31, 2025 and 2024
Collin County, Texas*

Collin County Community College District

**Allen Celina Frisco
Farmersville McKinney
Plano Rockwall Wylie
Texas**

Annual Comprehensive Financial Report

**For Fiscal Years Ended
August 31, 2025 and 2024**

Collin County, Texas

**Prepared by:
Administrative Services**

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
Annual Comprehensive Financial Report
Fiscal Years Ended August 31, 2025 and 2024

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Introductory



To the Board of Trustees:

I am pleased to present you with the Annual Comprehensive Financial Report (ACFR) for Fiscal Year 2025.

This past year, the college celebrated a milestone — 40 years of student success! We commemorated the occasion

with events throughout the district, including a special 40th anniversary concert featuring Texas country music legend Pat Green and his acoustic quartet.

I am proud to add that I have had the honor of serving our students and stakeholders alongside our amazing faculty and staff for the last decade. What a joy it has been! Collin College is a very special higher education institution.

With your sage counsel, leadership, and vision, we are continuing to grow and address our communities' needs through our extensive Master and Strategic plans.

For the first time, this past May, the college held two commencement ceremonies to accommodate the increase in graduating students.

Collin College also added a new Bachelor of Applied Technology in Software Development degree. Today, students can choose from five bachelor's degrees — all at the college's tuition rates, the lowest in the state of Texas.

The college received several grants this year, including a \$2.1 million grant to expand adult education, \$1.3 million in Skills Development Fund grants, and a more than \$400,000 National Science Foundation grant to develop robotic welding equipment.

A few additional highlights this year include: *The College Tour* Collin College episode premiering and streaming on Amazon Prime; industry, business, and community leaders convening at the third annual Collin Leadership Policy Summit; the Marty Berryman

Tennis Center dedication; sophomore basketball player Alisha Nunley being named to the National Junior College Athletics Association Division I Women's Basketball All-America First Team, and the college offering its first-ever golf team as well as a new volleyball team.

Our university partnerships are thriving. The Texas A&M Engineering Academy at Collin College experienced an epic inaugural cohort of 96 students, and the Collin College Academic Alliance added new Texas State University teacher preparation degrees. Additional new partnerships are already in the works, and I look forward to sharing them in the future.

Whether students choose an online experience through our iCollin Virtual Campus or enroll in courses at one of our 10 beautiful campuses throughout Collin County, they will receive a great education at a remarkable value — a precious benefit that is especially prized in this time of escalating costs.

With a myriad of events such as honoring fallen first responders with a memorial that includes a piece of the World Trade Center, art exhibitions in Plano and Wylie, fine arts performances, Rockin' the Ridge in Frisco, trunk-or-treat, Wild West in the Park Chili Cook-off in McKinney, the Celina Carnival, Blooming Harvest and Movie Night on the Lawn in Farmersville, a car meet and open house in Allen, and so much more, Collin College is a hub for our students and communities to gather for meaningful experiences.

Together, we are not only building the best community college in Texas but working to build the best community college in the nation.

Here's to the next 40 years of growth and success!

Sincerely,



H. Neil Matkin, Ed.D.
District President
Collin College

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December 9, 2025

To: Dr. H. Neil Matkin, District President
Members of the Board of Trustees, and
The Citizens of Collin County Community College District

The following Annual Comprehensive Financial Report (ACFR) of the Collin County Community College District d/b/a Collin College (the "District") for the fiscal years ended August 31, 2025, and 2024 is respectfully submitted for your review. This report provides detailed information regarding the financial condition and performance of the District.

Responsibility for the accuracy, completeness, and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed information is accurate in all material respects and is presented in a manner intended to fairly reflect the District's financial position and results of operations. All disclosures necessary to enable readers to gain a full understanding of the District's financial activities have been included.

The District is a special-purpose government engaged solely in business-type activity (BTA). Adhering to the Governmental Accounting Standards Board (GASB) Statements 34 and 35, this financial reporting presentation combines all fund groups into a single column. It resembles the format of the corporate presentation, thus facilitating comparison.

State statutes require an annual audit by independent certified public accountants. The District's Board of Trustees selected the accounting firm of Whitley Penn, LLP. In addition to meeting the requirements outlined in state statutes, the audit meets the U.S. Office of Management and Budget (OMB) 2 Code of Federal Regulations (CFR) 200, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State of Texas Single Audit Circular*. Information related to the single audit, including the schedule of federal expenditures of awards, the schedule of state expenditures of awards, and the auditor's reports on compliance and internal controls, is included in this report's single audit section.

As a recipient of federal, state, and local financial funds, the District is responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those award programs. This internal control structure is subject to periodic review or evaluation by management and the District's independent auditors. As a part of the District's single audit, tests determine the effectiveness of the internal control structure, including that portion related to significant federal and state financial award programs. It also determines that the District has complied with significant applicable laws and regulations.

The Administrative Services division establishes and maintains an internal control structure to protect the District's assets from loss, theft, or misuse. They are responsible for ensuring that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure provides reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

A narrative introduction, overview, and analysis accompany the basic financial statements in Management's Discussion and Analysis (MD&A), providing information on the District's financial activity and position. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. In addition to the transmittal letter and the MD&A, the Annual Comprehensive Financial Report (ACFR) consists of the following:

- Basic Financial Statements
- Required Supplemental Information
- Texas Higher Education Coordinating Board (THECB) Supplemental Schedules
- Statistical Section (Unaudited)
- Single Audit Section

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

PROFILE OF THE DISTRICT

District Structure and Governance

The District was established as a public community college in an election held in Collin County, Texas, on April 6, 1985. It operates as a community college district under the Constitution of the State of Texas and the Texas Education Code. Governance of the District is vested in a nine-member Board of Trustees ("the Board"). Trustees serve without compensation and are elected at large by the voters of Collin County to six-year terms. The Board meets at least ten times each year, and all meetings are open to the public.

The Board manages and governs the District, providing policy direction, establishing institutional goals, setting and collecting tuition and fees, and exercising fiduciary responsibility over the District's financial resources. The Board also appoints and evaluates the District President. In addition, the Board is responsible for the levy, assessment, and collection of taxes; the issuance of bonds; the adoption of the annual budget; and the oversight of the annual audit. The Board further establishes campus admission standards consistent with the District's role and mission.

Accreditation and Academic Programs

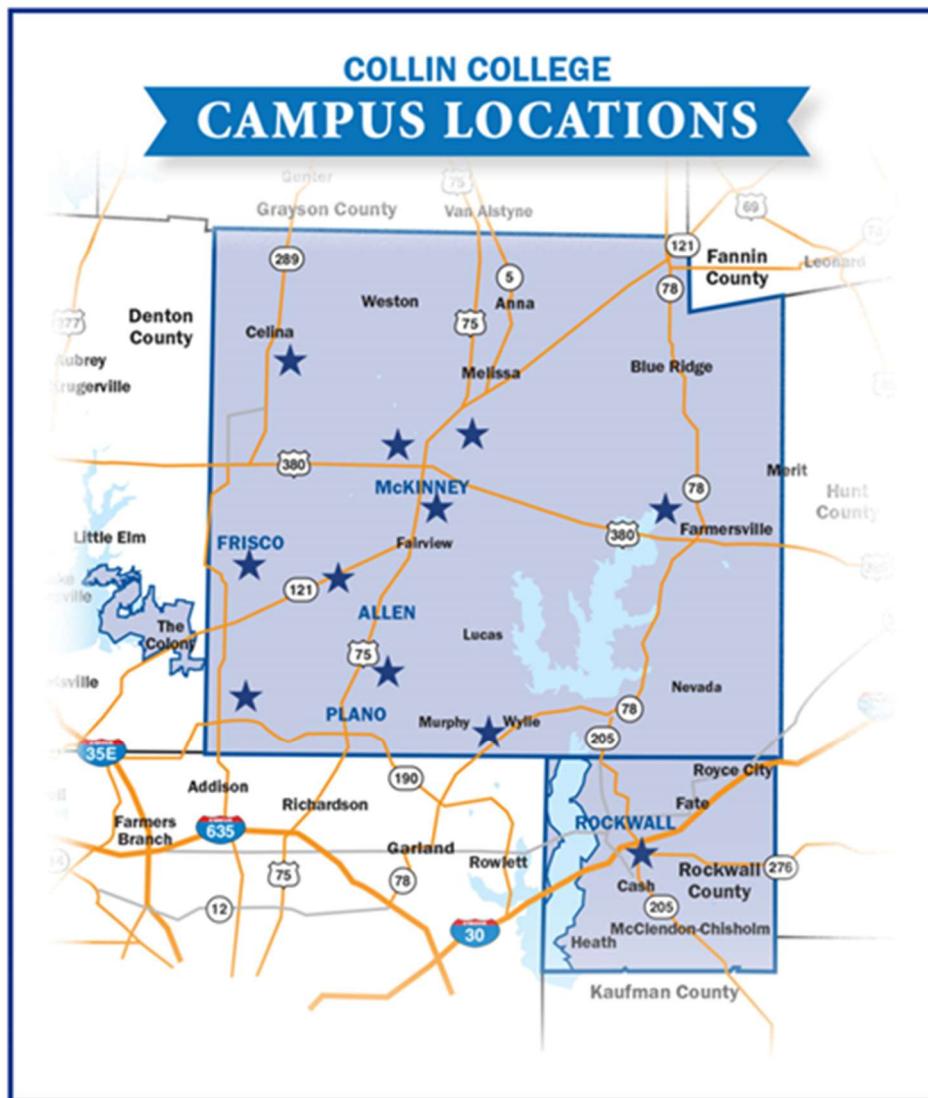
The District is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award associate and baccalaureate degrees. The District may also offer additional credentials, including certificates and diplomas, at approved degree levels. In June 2021, Governor Greg Abbott signed House Bill 3348, authorizing the District to offer up to five baccalaureate degrees. As of the Fall 2025 semester, the District offers five baccalaureate programs: the Bachelor of Science in Nursing (launched in 2020), the Bachelor of Applied

Technology in Cybersecurity (launched in 2020), the Bachelor of Applied Science in Construction Management (launched in 2022), the Bachelor of Applied Science in Clinical Operations Management (launched in 2024), and the Bachelor of Applied Technology in Software Development (launched in 2025).

To maintain accreditation by SACSCOC, the District must undergo a comprehensive compliance review every ten years. This process involves extensive self-study demonstrating compliance with the Principles of Accreditation established by SACSCOC. The District completed its most recent review during the 2024–2025 academic year, and on June 12, 2025, the SACSCOC Board of Trustees voted to reaffirm the District's accreditation.

Mission and Community Focus

The District's mission is to provide students with a community-centered institution committed to developing skills, strengthening character, and challenging the intellect. The student body is composed of residents of Collin County as well as individuals from surrounding communities.

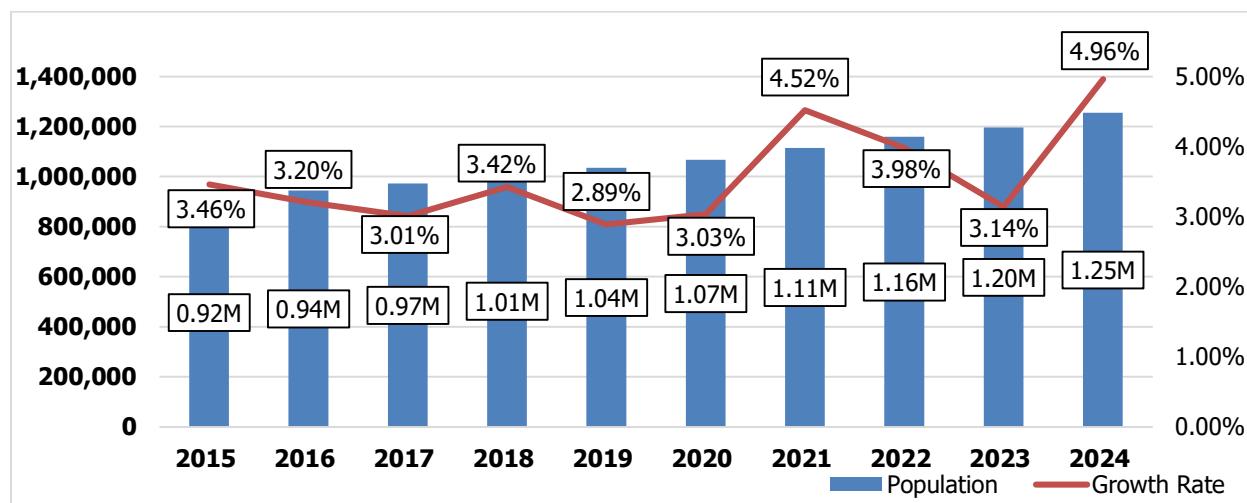


The District strives to offer affordable, small, and personalized classes supported by an award-winning faculty in a safe and welcoming environment, enabling students to fulfill their potential and achieve their educational goals. The District promotes lifelong learning and provides opportunities for residents to continue their education regardless of schedule, time, or distance constraints. The District remains committed to meeting the community's workforce needs by expanding educational opportunities and developing a well-prepared professional workforce. It provides training for the county's essential service roles, including police officers, firefighters, emergency medical technicians, nurses, dental hygienists, and respiratory therapists.

Service Area and Demographics

The official service area of the District, as defined by the Texas Legislature, includes all of Collin and Rockwall counties, the portions of Denton County located within the cities of Frisco and The Colony, and the areas of Denton County encompassed by the Celina and Prosper independent school districts.

The District is located in Collin County, within the Dallas metropolitan area of North Central Texas, covering 886 square miles. Collin County remains one of the fastest-growing counties in the United States, according to the U.S. Census Bureau, with a population growth rate of 17.7% from 2020 to 2024. The county's population was 1,066,467 in 2020 and is estimated to be 1,254,658 as of 2024.



Component Units

The Collin County Community College District Foundation, Inc. ("Foundation") is discretely presented in the District's financial statements as a component unit through the inclusion of the Foundation's statements and footnotes. The Foundation, a nonprofit organization established in 1987, exists to maintain, develop, expand, and enhance the District's facilities and services, as well as to provide broader educational opportunities for its students, staff, and faculty.

Inter-local Agreements and Partnerships

The District's numerous partnerships with local cities, schools, and organizations demonstrate its commitment to providing programs and services that benefit the community. These collaborative agreements are designed to be both efficient and cost-effective. A selection of recent inter-local agreements and partnerships includes:

- **Collin College Academic Alliance:** In collaboration with Texas State University and the University of Texas at Dallas, the District established the Collin College Academic Alliance at the Collin College Technical Campus in Allen. This program allows students to co-enroll at Collin College and a partner university, enabling them to earn an associate degree while simultaneously pursuing a bachelor's degree from Texas State University or the University of Texas at Dallas without leaving Collin County.
- **Texas A&M Engineering Academy:** Also housed at the Technical Campus in Allen, this program, in partnership with Texas A&M University's College of Engineering, allows students to pursue an engineering degree while co-enrolling at both institutions. Students can complete their first two years of engineering coursework at Collin College, reducing costs before transitioning to Texas A&M University.
- **Economic Development Grant:** In June 2024, the U.S. Department of Commerce – Economic Development Administration awarded the District a \$2.0 million grant, with the District pledging \$500,000 in matching funds. The grant supports construction at the Plano Campus to expand healthcare programs, including Licensed Vocational Nurse (LVN), Certified Nurse's Aide (CNA), Patient Care Technician (PCT), Electrocardiograph Technician (EKG), and Phlebotomy Technician (PLT). This expansion is expected to prepare hundreds of students for careers in healthcare and stimulate economic growth in North Texas, particularly in rural counties.
- **Adult Education and Literacy Grant:** The Texas Workforce Commission awarded the District a \$2.1 million Adult Education and Literacy Service Provider grant in July 2024, covering the 2024–2025 period. The grant supports educational opportunities for individuals facing employment barriers, preparing them for in-demand careers across various sectors.
- **Collin County Detention Facility Partnership:** Through an Adult Education and Literacy grant from the Texas Workforce Commission, Collin College partners with the local jail to offer life skills and educational courses to more than 100 inmates. Courses, taught by Collin College faculty, are designed for younger or first-time offenders and focus on personal growth, academic readiness, and reentry preparation, providing meaningful second chances for participants.

Budget and Financial Controls

Under the direction of the Chief Financial Officer, Administrative Services oversees the District's budgetary controls. These controls ensure compliance with all legal requirements set forth in the annual budget approved by the Board of Trustees. The annual budget encompasses the activities of the unrestricted, auxiliary, restricted, building, bond, and debt service funds. The District also maintains an encumbrance accounting system that includes full-time payroll costs to support budgetary control. Salary encumbrances lapse at year-end, while certain encumbrances for outstanding purchase orders at year-end are carried forward as part of the subsequent year's budget.

Economic Conditions and Workforce Development

During fiscal year 2025, the District continued to experience enrollment growth, a strong local economy, and increasing workforce demands in key industries. Credit enrollment increased 4.7% in the fall and 6.9% in the spring compared to the prior academic year. Collin County's population and labor force continue to grow, supporting the District's mission of providing accessible, high-quality education and workforce training in fields such as technology, health care, automotive, construction, HVAC, and welding.

Collin County's major industries include finance, retail, computer technology, insurance, education, manufacturing, telecommunications, health care, and food services. A well-educated workforce is essential for attracting new businesses and sustaining economic growth, while the availability of workforce training is a key factor in supporting a growing economy. The District regularly consults with local employers to assess workforce needs and develops programs to address those needs. Combined with the area's accessible workforce training, desirable location, high-quality school districts, abundant family entertainment options, including shopping, fine arts, professional sports, and amusement parks and a wealth of well-trained individuals, the District is confident that Collin County will continue to experience sustained economic prosperity.

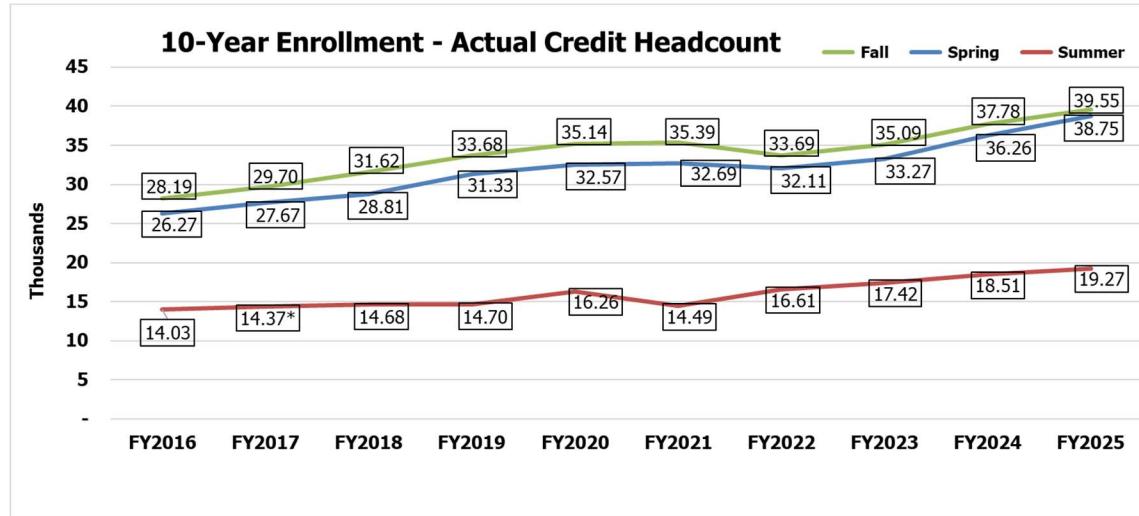
The District has participated in a property tax abatement with Texas Instruments since 2014. This abatement was established to encourage significant capital investment and to promote job creation within the region's technology sector. The District anticipates that the long-term benefits of this agreement will exceed the temporary reduction in property tax revenues. Economic activity generated by this investment supports broader regional prosperity, which has historically contributed to enrollment stability, the expansion of academic and workforce programs, and the advancement of the District's mission.

According to the U.S. Bureau of Labor Statistics, Collin County's civilian labor force was 690,212 as of August 2025, reflecting an increase from the prior year. The county's unemployment rate for the same period was 4.3%, compared to 4.1% for the State of Texas and 4.3% nationally.

Community colleges play a critical role in the State of Texas's workforce and economic development. Economic growth depends on the availability of a well-trained and educated workforce. As technological advancements, automation, and increased productivity reshape the economy, the demand for certain physical jobs declines, creating greater pressure on workers to acquire new skills.

According to the Texas Higher Education Coordinating Board, enrollment in Texas public community colleges totaled 715,133 students in the fall of 2024, compared to 689,784 students at Texas public universities and 16,427 students at Texas State Technical Colleges.

Data Source: Collin College Student Information System



Long-Term Financial Planning

The development of the Master and Strategic Plan is a collaborative process that has guided the District's critical decision-making for the past seven years. Known as **Destination 2030**, the Master Plan provides a comprehensive outlook for all college facilities and programming, while the accompanying Strategic Goals establish objectives and stretch targets for future initiatives. Together, these plans create a seven-year roadmap for the District.

In August 2023, the Board of Trustees adopted the 2023–2030 Master and Strategic Plan, which includes the following:

Master Plan Priorities:

1. Ensure maximum utilization of college facilities, programs, and resources.
2. Expand college programs and facilities to accommodate growth and meet employment needs across the service area.
3. Enhance the college's university partnerships through comprehensive pathways that enrich the student experience and support student completion, with a focus on Collin College students.
4. Implement planned and new components of the college's comprehensive safety and emergency management plan.
5. Streamline programs and systems by implementing efficient business processes that improve outcomes for students and employees.

Strategic Plan Goals:

1. Realign student completion and performance metrics to meet or exceed state and regional accreditation thresholds and goals.
2. Develop and implement strategies to become a national exemplar in program and student outcomes.
3. Create and implement comprehensive pathways to enrich student experience and support student completions.
4. Implement strategies to be recognized as an employer of choice to attract and retain top talent.
5. Expand educational access through a systemic approach with external partners and stakeholders.
6. Expand baccalaureate degree options.

Financial Policies

The District's investment policy, as required by statute, is reviewed and updated annually. The Board of Trustees approved the policy in June 2025. The policy is designed to ensure the safety of principal, maintain liquidity to meet all operating requirements, and achieve a reasonable market yield over budgetary and economic cycles. All bank deposits were either insured by federal depository insurance or fully collateralized throughout the year.

Effective in fiscal year 2025, Board policy requires the District maintain a minimum fund balance equal to 15% of the total current year unrestricted fund budgeted expenses. In prior fiscal years, policy required the District maintain a minimum fund balance of 25% of educational expenses adjusted for reserves and allocations. In addition, the Board continues to maintain designations totaling \$24.75 million for stabilization of maintenance and operations if ad valorem tax revenues were to decline based on fluctuations in appraised values.

AWARDS AND ACKNOWLEDGEMENTS**Awards**

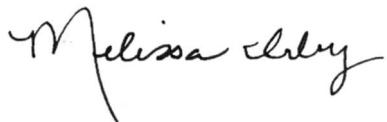
The Government Finance Officers Association (GFOA) awarded the District a **Certificate of Achievement for Excellence in Financial Reporting** for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended August 31, 2024. This marks the 28th consecutive year the District has received this prestigious recognition. To qualify for the award, a government must publish an ACFR that is easily readable, efficiently organized, and meets both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for one year. The District believes that the current ACFR continues to meet the program's high standards and has submitted it to the GFOA for consideration for another certificate.

Acknowledgments

This report was prepared through the efficient and dedicated efforts of the Administrative Services staff. We also extend our appreciation to **Whitley Penn, LLP**, for their assistance and timely completion of the audit. Special recognition is due to the District's Board of Trustees and Leadership for their commitment to the responsible planning and management of the District's operations.

Respectfully submitted,



Melissa Irby, CPA
Chief Financial Officer



Barbara Johnston, CPA
Deputy Chief Financial Officer



Shandin Havens, CPA
Associate Vice President, Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Collin County Community College District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024

Christopher P. Monell

Executive Director/CEO

Board of Trustees



Jay Saad
Chair, Place 2
Plano, Texas
Term 2023- 2029



Dr. Raj Menon
Vice Chair, Place 5
Plano, Texas
Term 2025-2031



Dr. J. Robert (Bob) Collins
Secretary, Place 8
Farmersville, Texas
Term 2021-2027



Andrew (Andy) Hardin
Treasurer, Place 9
Frisco, Texas
Term 2021-2027



Justin Adcock
Member, Place 6,
Plano, Texas
Term 2025-2031



Cathie Alexander
Member, Place 3
Plano, Texas
Term 2023- 2029



Jim Orr
Secretary, Place 7
Lucas, Texas
Term 2021- 2027

Vacant
Member, Place 1
Collin County
Term 2026-2027



Staci Weaver
Member, Place 4
Plano, Texas
Term 2025-2031



Principal Officers and Staff

Administrative Officers

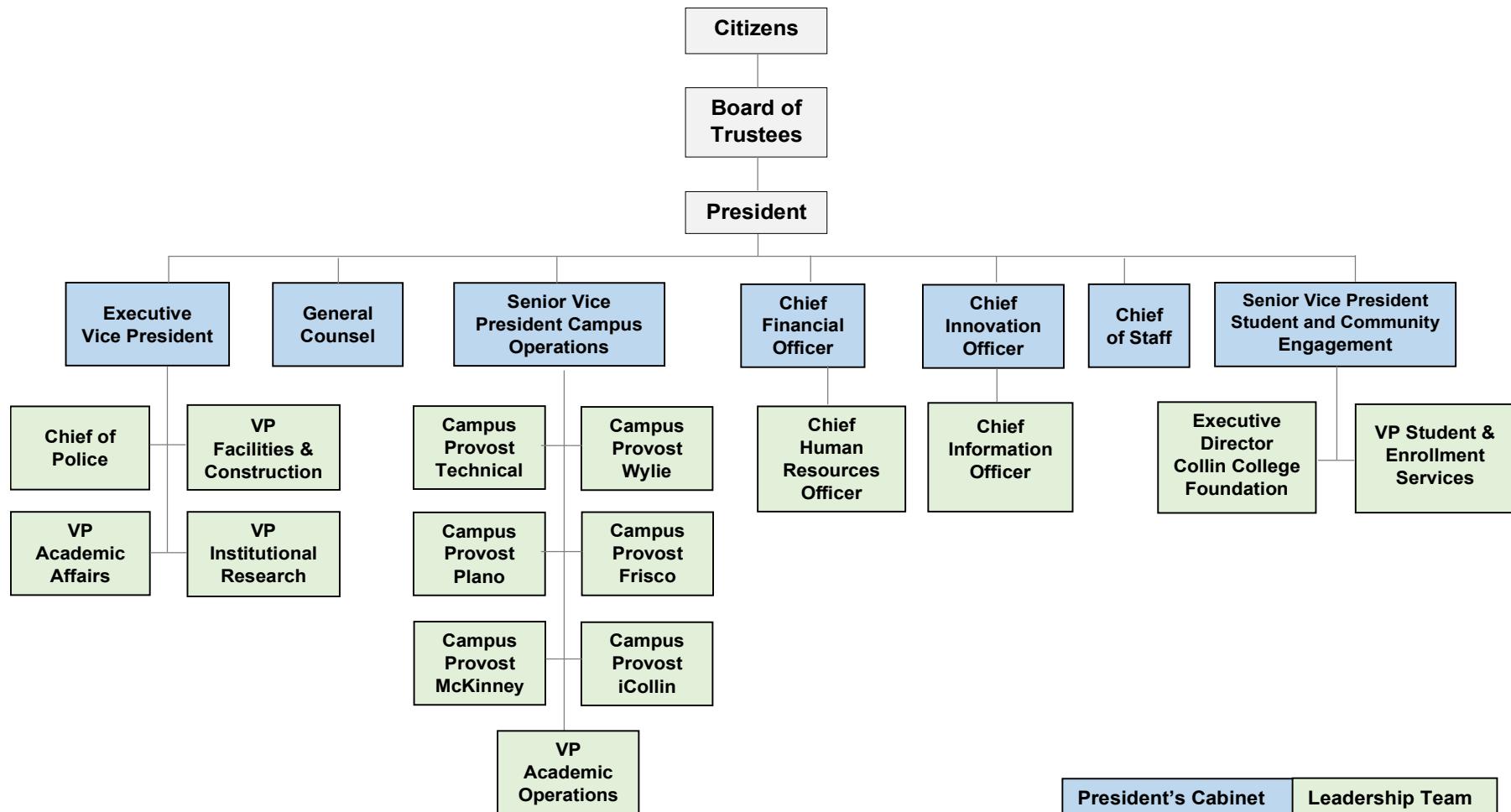
Neil Matkin, Ed. D.	District President
Bill King, Ph. D.	Executive Vice President
Jay Corwin, Ph. D.	Senior Vice President of Student and Community Engagement
Melissa Irby, CPA	Chief Financial Officer
Abe Johnson, Ed. D.	Senior Vice President Campus Operations
Mary McClure	Chief of Staff
Todd Horkman	Chief Innovation Officer
Monica Velazquez, J.D.	General Counsel
Kristy Horkman	Executive Assistant, District President

Financial Staff

Barbara Johnston, CPA	Deputy Chief Financial Officer
Shandin Havens, CPA	Associate Vice President, Controller
Christi Drilling	Executive Director of Accounting
Krystal Fair	Director of Accounting

Collin County Community College District

Organizational Chart



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Financial



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Collin County Community College District

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of Collin County Community College District (the "District"), as of and for the years ended August 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District, as of August 31, 2025 and 2024, and the respective changes in financial position, and cash flows thereof for the years ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Collin County Community College Foundation (the "Foundation"). Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

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

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Board of Trustees
Collin County Community College District

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, pension information, and other-post employment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Supplemental Schedules A through D, as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Schedule of Expenditures of State Awards as required by the State of Texas Grant Management Standards, are presented for additional analysis and are not a required part of the basic financial statements.

To the Board of Trustees
Collin County Community College District

The Supplemental Schedules A through D, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Schedules A through D, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2025, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is fluid and cursive, with "Whitley" and "Penn" on the first line and "LLP" on the second line.

Dallas, Texas
December 9, 2025

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

INTRODUCTION

Collin County Community College District ("the District"), founded in 1985, is proud to present its financial statements for the years ended August 31, 2025 and 2024, which are prepared in accordance accounting principles generally accepted by the Governmental Accounting Standards Board (GASB) and comply with the reporting requirements as set by the Texas Higher Education Coordinating Board (THECB). The annual report consists of three basic financial statements: the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. This analysis reviews the District's financial activity during the fiscal years ended August 31, 2025, 2024, and 2023 and is based on currently known facts, decisions, and conditions having an impact on financial activities and other key financial data. It should be read in conjunction with the transmittal letter, the basic financial statements, and the notes to the financial statements. Responsibility for the completeness and fairness of the information in this section rests with the District's management.

In accordance with GASB Statement No. 61 *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, the District included financial statements for its discrete component unit, Collin County Community College Foundation ("the Foundation"), within the annual report. The Foundation's financial statements for the years ending August 31, 2025 and 2024 are presented on separate pages behind the District's basic financial statements. The Foundation's notes to the financial statements are included in Note 19 of the annual report.

2025 FINANCIAL HIGHLIGHTS

Financial highlights for the year ended August 31, 2025 include:

- The District issued revenue bonds, which resulted in bonds payable increasing approximately \$160.2 million or 31.3% and other non-operating expenses increasing approximately \$445 thousand or 694.2% as compared to fiscal year 2024. The proceeds received were held primarily in investments by the District, resulting in investment balances increasing approximately \$128.3 million or 54.5%.
- During fiscal year 2025, major construction and renovation projects were underway impacting the District's Courtyard Center, Collin Higher Education Center, Plano Campus as well as a new Frisco Campus Health Science Building, Wylie Campus CTE Building, and Districtwide security enhancements. As a result, net capital assets increased approximately \$43.8 million or 5.3% as compared to fiscal year 2024. Additionally, significant amounts were owed to suppliers for construction-related expenses incurred near the District's fiscal year-end which resulted in accounts payable and accrued liabilities having increased approximately \$18.7 million or 136.2% as compared to fiscal year 2024.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

- GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* reduced the District's net position by \$16.0 million or 93.9% as compared to fiscal year 2024. Additionally, net pension and OPEB liabilities decreased by \$8.0 million or 5.1% as compared to fiscal year 2024.
- Effective for the Fall 2024 academic period, the Board of Trustees approved an increase in tuition rates of 8.1% to 8.7%, depending on residency status. Additionally, credit hours increased approximately 8.3% over the 2023-24 academic year. As a result, net tuition and fees increased \$6.9 million or 14.8% as compared to fiscal year 2024. However, this increase in revenues was fully offset by an increase in operating expenses. Scholarship expenses were the largest contributor, having increased \$8.3 million or 34.6% as compared to fiscal year 2024, which was primarily attributed to the federal Pell grant.
- The District has maintained a total tax rate of \$0.08122 for fiscal year 2025. Net assessed value increased from \$260.8 billion in fiscal year 2024 to \$288.9 billion in fiscal year 2025, resulting in an increase of \$16.4 million or 10.4% in ad-valorem tax revenues collected as compared to the prior year.
- Non-operating federal grant and contracts increased \$8.5 million or 23.7% as compared to fiscal year 2024, primarily resulting from increased funding from the federal Pell grant program of \$8.2 million during fiscal year 2025.

2024 FINANCIAL HIGHLIGHTS

Financial highlights for the year ended August 31, 2024 include:

- Texas Legislature passed House Bill 8 in 2023, which established an outcomes-based formula for funding based primarily on specific outcomes that are aligned with the State's higher education strategic plan as well as regional and State workforce needs. Revenues from state appropriations, not including on-behalf benefits, were \$51.5 million and \$44.6 million for the years ended August 31, 2024 and 2023, respectively, which is an increase of \$6.9 million.
- The District has maintained a total tax rate of \$0.08122 for fiscal year 2024. Net assessed value increased from \$223.9 billion in fiscal year 2023 to \$260.8 billion in fiscal year 2024 resulting in an increase of \$4.0 million in ad-valorem tax revenues collected compared to the prior year.
- The Board of Trustees passed a resolution increasing homestead exemptions for taxpayers over the age of 65 from \$30,000 to \$100,000, for disabled taxpayers from \$20,000 to \$100,000, and an increase in the percentage of a residence homestead exemption to the greater of \$5,000 or 20% of the appraised value compared to \$5,000 or 1% of the appraised value. As a result of this change, exemptions increased 89.4%, from \$49.1 billion in fiscal year 2023 to \$93.1 billion to fiscal year 2024.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

- Investment income has increased throughout the previous three years, from \$11 thousand in fiscal year 2022, to \$16.9 million and \$22.3 million in fiscal years 2023 and 2024, respectively. The interest rate increases for fiscal years 2023 and 2024 have allowed the District to increase investment income earnings in addition to utilizing laddering investment strategies to manage cashflow.
- GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* reduced the District's net position by \$17.8 million. The Net Pension and OPEB Liabilities increased by \$4.9 million from fiscal year 2023 to 2024.

STATEMENT OF NET POSITION

The Statement of Net Position presents financial position of the District at the end of each fiscal year. It is a point-in-time financial statement with a purpose of giving readers a snapshot of the fiscal condition of the District. The statement includes assets owned by the District, all liabilities owed by the District to others, the deferred outflows and inflows, and the resulting net position. Assets and liabilities are presented in order of their liquidity with noncurrent defined as greater than one year. Net position is divided into three major categories.

- *Net investment in capital assets* includes land, buildings and improvements, and equipment owned, and lease and SBITA assets, net of related debt.
- *Restricted net position* includes the net position with external limitations on the way in which they may be used, and are not accessible for general use.
- *Unrestricted net position* includes the net position that is available to be used for any lawful purpose of the District at the direction of the Board of Trustees.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

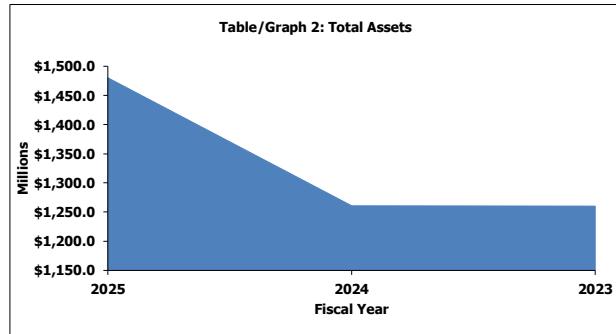
Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Table/Graph 1 is a condensed summary for the years ended August 31, 2025, 2024, and 2023.

	Table/Graph 1: Condensed Statements of Net Position (in Millions)				
	Fiscal Year			Change	
	2025	2024 (Restated)	2023	Current Year	Prior Year
Assets:					
Current assets	\$ 491.6	\$ 340.1	\$ 323.4	44.5 %	5.2 %
Capital assets	869.5	825.7	839.3	5.3 %	(1.6)%
Other noncurrent assets	119.2	94.7	97.6	25.9 %	(3.0)%
Total assets	\$ 1,480.3	\$ 1,260.5	\$ 1,260.3	17.4 %	0.0 %
Deferred Outflows of Resources:	33.2	51.0	66.4	(34.9)%	(23.2)%
Liabilities:					
Current liabilities	\$ 105.2	\$ 78.1	\$ 72.5	34.7 %	7.7 %
Noncurrent liabilities	801.3	656.0	678.0	22.1 %	(3.2)%
Total liabilities	\$ 906.5	\$ 734.1	\$ 750.5	23.5 %	(2.2)%
Deferred Inflow of Resources:	32.7	34.7	37.3	(5.8)%	(7.0)%
Net position:					
Net investment in capital assets	\$ 342.3	\$ 330.2	\$ 317.0	3.7 %	4.2 %
Restricted - expendable	54.0	26.4	20.3	104.5 %	30.0 %
Unrestricted	177.8	186.2	201.5	(4.5)%	(7.6)%
Total net position	\$ 574.1	\$ 542.8	\$ 538.8	5.8 %	0.7 %

Due to rounding, certain totals in this schedule may not be precise.

Total assets of the District remained consistent in 2024 and 2023. As shown in Table/Graph 2, there was an overall increase in current assets and noncurrent assets in 2025 primarily due to the receipt of bond proceeds of \$185 million during 2025. The bond proceeds are being held in restricted cash, which increased \$32.7 million or 78.0% in 2025, as well as both short- and long-term restricted investments, which increased \$129.7 million or 2616.5% in 2025. The proceeds are being used to fund capital projects, including major construction and renovation projects underway throughout the District. Additionally, accounts receivable increased \$7.9 million or 36.7% and \$4.6 million or 27% in fiscal years 2025 and 2024, respectively. This continued increase is due to higher tuition rates, growing enrollment, and lower internal collections on outstanding student and sponsor receivables. The decrease in collections is primarily the result of implementing a new district-wide ERP system for credit students and new software for non-credit students. See Note 3 (Authorized Investments), Note 4 (Deposits and Investments), and Note 15 (Disaggregation of Receivables and Payables Balances) for additional information.

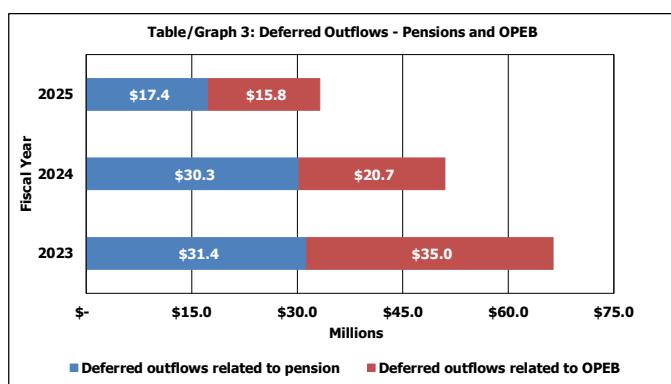


COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Capital assets make up the most significant balance of total assets, at 58.7% of total assets for the current year, 65.5% and 66.6% of total assets for fiscal years 2024 and 2023, respectively. Capital assets increased due to construction in progress increasing \$66.1 million in the current year because of ongoing construction projects. This increase was partially offset by the increase in accumulated depreciation of \$20.0 million in the current year. See Note 5 (Capital Assets) for additional information.

Deferred outflow of resources is a consumption of net assets by the District that is applicable to future reporting periods. Deferred outflows of resources have fluctuated significantly from fiscal years ending 2023 to the current fiscal year, especially those related to Other Post-Employment Benefits (OPEB) as shown in Table/Graph 3 below and in Table/Graph 1 above. Fluctuations in deferred outflows occur as a result of recognizing the differences in projected and actual investment earnings at the plan level. Deferred outflows represent the District's proportionate share of pension and other post-employment benefits the District could make that will benefit employees in the future, but are not considered assets. See Note 10 (Employees' Retirement Plan) and Note 14 (OPEB) for additional information.



Current liabilities primarily consist of accounts payable and accrued liabilities, unearned revenues, current portions of lease and SBITA liabilities, bonds payable, and OPEB liability. A liability is considered to be current if it is due within one year. The increase in current liabilities of \$27.2 million or 34.8% as compared to 2024 is driven by accounts payable and accrued liabilities including significant amounts owed to suppliers for construction-related expenses. The current portion of bonds

payable also increased \$6.4 million or 29.6% because of the 2024 Revenue Bond issuance. See Note 9 (Bonds Payable) for additional information. The change from 2023 to 2024 was primarily attributed to unearned revenue increasing \$3.6 million or 12.2%.

Unearned revenue and the current portion of bonds payable made up more than 60.8%, 70.0%, and 69.0% of current liabilities for fiscal years 2025, 2024, and 2023, respectively. Unearned revenue primarily consists of student tuition and fees for future academic periods and represents a larger portion of current liabilities in the prior fiscal year due to an increase in tuition rates per credit hours for all residencies of approximately 8% beginning in the Fall 2024 academic period, or for fiscal year 2025. While there was no tuition rate increase for the Fall 2025 academic period, enrollment had increased approximately 6.0% as of fiscal year end. The percentage is skewed in fiscal year 2025 because of the significant increase in accounts payable and accrued liabilities resulting from significant amounts owed to suppliers for construction-related expenses; this comprised 30.7% of current liabilities in 2025 when it comprised 17.5% and 19.6% of current liabilities in 2024 and 2023, respectively.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

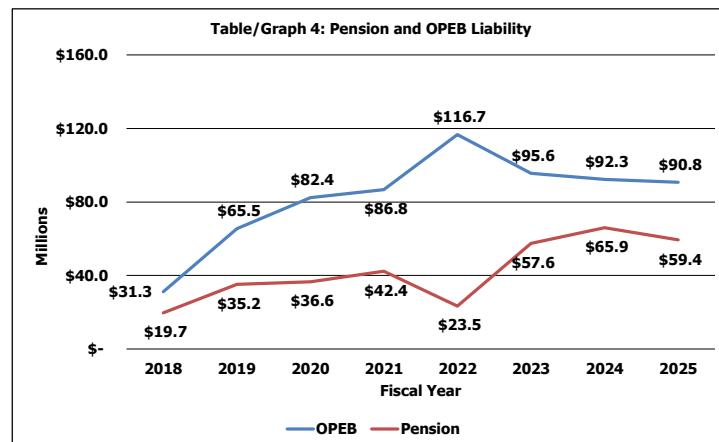
Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

The current portion of bonds payable increased \$6.4 million or 29.6% in fiscal year 2025 as compared to fiscal year 2024. A \$1.1 million or 5.5% increase occurred from fiscal year 2023 to 2024. See Note 8 (Long-Term Liabilities) and Note 9 (Bonds Payable) for additional information.

Noncurrent liabilities made 88.4%, 89.4%, and 90.3%, of total liabilities, in fiscal years 2025, 2024, and 2023, respectively. The primary components of noncurrent liabilities include net pension liability, net OPEB liability, and the noncurrent portion of bonds payable.

Total noncurrent liabilities increased \$145.2 million or 22.1% in fiscal year 2025 after declining \$22.0 million or 3.2% in fiscal year 2024. The increase in the current year is primarily attributed to the 2024 bond issuance. This increase is offset slightly due to the decreases in net pension liability and net OPEB liability in the current year. The net OPEB liability has decreased by \$1.5 million or 1.6% and \$3.5 million or 3.7% in fiscal years 2025 and 2024, respectively. Alternatively, the net pension liability decreased in fiscal year 2025 by \$6.5 million or 9.9% after having increased \$8.3 million or 14.5% in fiscal year 2024.

Table/Graph 4 illustrates net pension liability and net OPEB liability since fiscal year 2018. While it's significant to note the fluctuations resulting from OPEB and Pension because of its impact on liabilities, deferred inflows and outflows, and expenses, there is no cash impact on the District. The primary objective of these GASB statements is to improve accounting and financial reporting for OPEB and Pensions. See Note 10 (Employees' Retirement Plan) and Note 14 (OPEB) for additional information.



Deferred inflows of resources are resources that represent an acquisition of net position related to future periods as required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits, Other than Pensions (OPEB)* and GASB Statement No. 87 *Leases*. Statement No. 75 was issued to provide more transparent reporting of the liability and useful information about the liability and costs of post-employment benefits other than pensions. The District participates in a cost-sharing OPEB and has recorded a liability, equal to our proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. OPEBs pertain to all post-employment healthcare benefits, death benefits, life insurance, disability and long-term care benefits. See Note 10 (Employees' Retirement Plan) and Note 14 (OPEB) for additional information.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Deferred inflows related to leases represents future revenue the District is expected to receive for cell tower leases, and has remained steady. The deferred inflow is calculated as the lease receivable plus any payments made at or prior to the commencement of the lease term that relate to future periods. See Note 6 (Leases) for additional information.

Net position represents the District's fund balance, some of which is restricted for certain uses and some of which is unrestricted. The District's net position was \$574.1 million, \$542.8 million, and \$538.8 million in 2025, 2024, and 2023, respectively. This resulted in increased net position of \$31.4 million or 5.8% and \$3.9 million or 0.7% in fiscal years 2025 and 2024, respectively. While unrestricted net position tends to be most volatile year over year, there was a significant increase in restricted net position of \$27.7 million or 104.6% in fiscal year 2025. This is primarily attributed to the issuance of revenue bonds during the fiscal year.

During fiscal year 2024, the Board of Trustees voted to undesignate the \$30 million health care reserve accumulated over the years since 2007. The District budgets a transfer from unrestricted current funds to debt service to fund debt service payments. The transfers for the last three years from unrestricted current funds to debt service have been \$23.7 million, \$27.2 million, and \$27.2 million for fiscal years 2025, 2024, and 2023, respectively. The District's debt tax rate remained at \$.00622/\$100 of assessed value, but this was not sufficient to cover annual debt service requirements, thus requiring the transfer. See THECB Supplemental Schedule D for a breakdown of net position, and Note 2 (Summary of Significant Accounting Policies) for additional information.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred by the District, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the District during the fiscal year. Operating expenses are those paid to acquire or produce the goods and services provided in return for the operating revenue and to carry out the District's mission. Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as state appropriations, ad-valorem taxes, and federal grants.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Table/Graph 5 is a condensed summary for the years ended August 31, 2025, 2024, and 2023.

Table/Graph 5: Condensed Statements of Revenues, Expenses, and Changes in Net Position (in Millions)					
	Fiscal Year			Change	
	2025	2024 (Restated)	2023	Current Year	Prior Year
Operating revenues:					
Tuition and fees, net	\$ 53.4	\$ 46.5	\$ 45.6	14.8 %	2.0 %
Grants and contracts	6.5	5.1	23.6	27.5 %	(78.4) %
Auxiliary enterprises	5.5	4.8	4.6	14.6 %	4.3 %
Other operating revenues	1.4	1.4	1.2	0.0 %	16.7 %
Total operating revenues	66.8	57.8	75.0	15.6 %	(22.9) %
Operating expenses:					
Instruction	129.4	125.3	114.4	3.3 %	9.5 %
Public service	0.5	0.6	0.6	(16.7) %	0.0 %
Academic support	35.0	35.9	34.0	(2.5) %	5.6 %
Student services	24.0	24.7	22.5	(2.8) %	9.8 %
Institutional support	52.4	50.3	62.8	4.2 %	(19.9) %
Operation and maintenance of plant	27.8	26.3	27.9	5.7 %	(5.7) %
Scholarships	32.2	23.9	18.9	34.7 %	26.5 %
Auxiliary enterprises	6.7	5.8	5.7	15.5 %	1.8 %
Depreciation	30.2	29.8	27.2	1.3 %	9.6 %
Total operating expenses	338.2	322.6	314.0	4.8 %	2.7 %
Operating loss	(271.4)	(264.8)	(239.0)	2.5 %	10.8 %
Non-operating revenues (expenses):					
State appropriations	76.1	65.9	53.6	15.5 %	22.9 %
Ad-valorem taxes, net	175.1	158.6	154.2	10.4 %	2.9 %
Grants and contracts	48.4	39.4	31.9	22.8 %	23.5 %
Gifts	0.1	0.1	0.1	0.0 %	0.0 %
Investment income, net	26.1	22.3	16.9	17.0 %	32.0 %
Interest on capital related debt	(22.5)	(17.5)	(18.5)	28.6 %	(5.4) %
Other non-operating revenues	0.2	0.2	0.3	0.0 %	(33.3) %
Other non-operating expenses	(0.5)	(0.1)	-	400.0 %	0.0 %
Net non-operating revenues	303.0	268.9	238.5	12.7 %	12.7 %
Increase (decrease) in net position	31.6	4.1	(0.5)	670.7 %	(920.0) %
Net position - beginning of year	543.0	538.7	539.2	0.8 %	(0.1) %
Cumulative effect of change in accounting principle	-	0.1	-		
Net position - beginning of year-restated	-	538.9	-		
Net position - ending of year	\$ 574.6	\$ 543.0	\$ 538.7	5.8 %	0.8 %

Due to rounding, certain totals in this schedule may not be precise.

The District's primary sources for revenues are tuition and fees, state appropriations, and ad-valorem taxes. Operating revenues include tuition, while state appropriations and ad-valorem taxes are reported as non-operating revenues. State appropriations, and ad-valorem taxes, made up 64.0%, 65.2%, and 62.6% of total revenues for the fiscal years ended 2025, 2024, and 2023, respectively. As a result, the District's operating loss of \$271.5 million, \$265.1 million and \$238.9 million for fiscal years 2025, 2024, and 2023, respectively, is expected since significant revenues are reported as non-operating revenues. Additionally, depreciation on capital assets is reported as an operating expense, which contributes to the operating loss.

Operating revenues consists of tuition and fees (net of discounts), grants and contracts, auxiliary revenues, and other operating revenues. As shown in Table/Graph 5, total operating revenues increased \$8.9 million or 15.5% in fiscal year 2025 due to the increase in tuition and fees (net of discounts). This increase is primarily attributed to increased tuition rates of 8.1% to 8.7%, depending on residency status effective Fall 2024. Additionally, enrollment increased approximately 8.6% over the fiscal year 2024 academic year. Total operating revenues decreased \$18.5 million or 83.5% in fiscal year 2024 primarily due to federal revenues decreasing from \$22.2 million to \$3.7 million, which is specifically COVID-related grants that ended in fiscal year 2023.

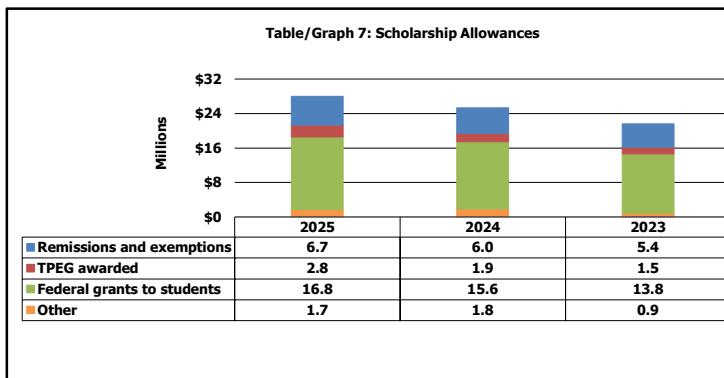
COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Tuition and fees (net of discounts) make up approximately 80.0%, 80.5%, and 60.8% of total operating revenues in 2025, 2024, and 2023, respectively. Table/Graph 6 illustrates

Fiscal Year	Table/Graph 6: Tuition per Credit Hour		
	In County Resident/Credit Hour	Out of County Resident/Credit Hour	Out of State & Country Resident/Credit Hour
2023	\$60	\$115	\$185
2024	\$60	\$115	\$185
2025	\$65	\$125	\$200

tuition per credit hour rates for the last three years. As previously mentioned, tuition per credit hour increased in fiscal year 2025, but did not change in the two preceding years. Total credit hours taken by students increased by 52,430 or 8.3% and 77,802 or 13.9% in fiscal years 2025 and 2024, respectively. While tuition rates by residency and hours taken by students are primary drivers of tuition fluctuations, other factors impacting tuition and fees (net of discounts) includes enrollment, scholarship allowances, and Texas Public Education Grants (TPEG). See THECB Schedule A, Statistical Supplement 4, and Statistical Supplement 15 for additional information.



As illustrated in Table/Graph 7, scholarship allowances and discounts were \$28.0 million, \$25.3 million, \$21.6 million in fiscal years 2025, 2024, and 2023, respectively. Scholarship allowances reduce tuition revenue for amounts paid to students from financial aid, sources other than the student, or third parties making payments on behalf of the student. The largest component of scholarship

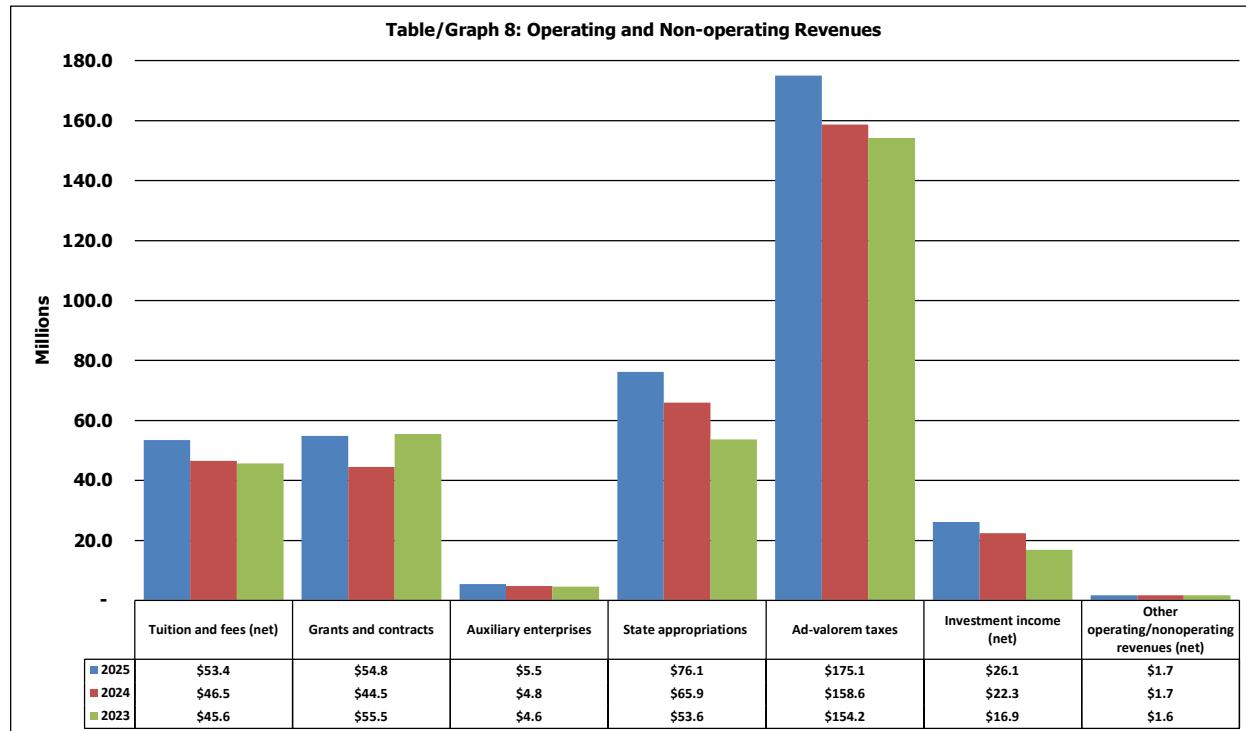
allowances is federal grants, primarily Pell grants, which makes up 60.0%, 61.8%, and 63.8% of total scholarship allowances for fiscal years 2025, 2024, and 2023, respectively. Pell grants increased 23.6% and 21.0% in fiscal years 2025 and 2024, respectively. While student enrollment is the primary driver in 2025, the increase in 2024 is primarily attributed to the maximum Pell award amounts having increased from \$6,895 in fiscal year 2023 to \$7,395 in fiscal year 2024. See THECB Schedule A for additional information.

Non-operating revenues are non-exchange transactions where funds are received for goods and services provided to an entity, who are not the payors. The primary source of non-operating revenues are state appropriations, ad-valorem taxes and federal grant revenues received from the Department of Education in the form of Title IV funds, i.e. Federal Pell Program, Federal Supplemental Educational Opportunity Grants, and Federal Work-Study Program. During the current year, non-operating federal grants and contracts increased \$8.5 million or 23.7% and \$5.3 million or 17.2%, in fiscal year 2025 and 2024, respectively, with the increase resulting primarily by Pell grants in both years. See Schedule E for additional information.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

Other non-operating revenues consist of net investment income, state grant revenues, gifts, and other non-operating revenues. Table/Graph 8 illustrates total revenues (operating and non-operating) by major category for fiscal years ending 2025, 2024, and 2023.



Ad-valorem taxes increased for maintenance and operations (M&O) \$15.3 million or 10.5% and \$3.8 million or 2.7% in fiscal years 2025 and 2024, respectively. The overall tax rate has remained at \$.08122 per \$100 valuation. The split between M&O and debt service remained the same at \$0.006220/\$100 of assessed value. Over the last three years, the net assessed valuation (assessed valuation less exemptions/abatements) of the District were \$288.9 billion, \$260.8 billion, \$223.9 billion, for fiscal years 2025, 2024, and 2023, respectively. See Note 17 (Property Tax and Tax Abatement) and Statistical Supplement 5 for additional information.

As noted in the Financial Highlights section for fiscal year 2024, the State funding model changed for community colleges when the Texas Legislature passed House Bill 8, which ties funding for community colleges to measurable student-focused outcomes including:

- The number of credentials of value awarded, including badges, certificates, and degrees, that position graduates for well-paying jobs.
- Credentials of value awarded in high-demand fields where employers are looking for skilled employees.
- Successful student transfers from community colleges to four-year universities.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

- Completion of a sequence of dual credit courses, which are offered to high school students and can set them on early pathways to success.

Prior to fiscal year 2024, funding was based on student contact hours, success points, and core operations. The State still continues to fund the District for a portion of employee benefits in the form of health insurance and state retirement matching (also known as on-behalf benefits). Not including on-behalf benefit funding, the District has received \$62.3 million, \$51.6 million, and \$44.6 million for state appropriations for fiscal years 2025, 2024, and 2023, respectively. See THECB Schedule C for additional information.

On behalf benefits are recorded as restricted revenues with the corresponding expenses allocated to the appropriate program code based on employee salaries. While the State provides benefits at 50% for all eligible employees, the District provides 100% of benefits for employees not covered by the State, i.e. facilities and auxiliary employees. Benefits for grant employees are paid with grant funds. Over the most recent three years, on-behalf benefits have been \$13.7 million, \$14.3 million, and \$9.0 million for fiscal years 2025, 2024, and 2023, respectively. Besides actual financial contributions from the State for health and retirement benefits, the State's proportionate share for pension and OPEB expenses is also included in on-behalf benefits. See Note 10 (Employees' Retirement Plan) and Note 13 (Healthcare and Life Insurance Benefits) for additional information.

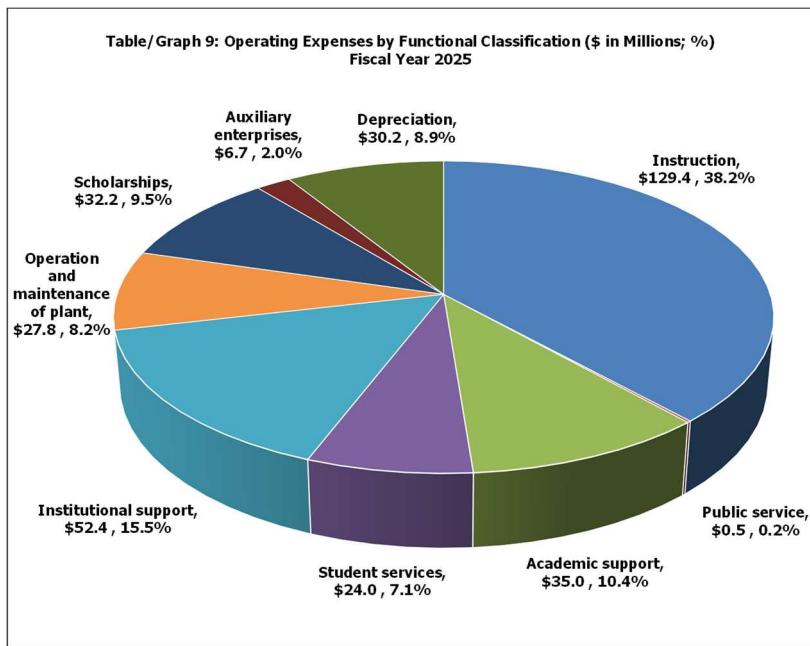
Auxiliary enterprise revenues are primarily generated from student housing, food and catering services, bookstore commissions, and facilities leasing. Net increases in other operating and non-operating revenues (expenses) in fiscal year 2025 are offset by bond issuance costs related to the 2024 Series Revenue Bonds issued in fiscal year 2025, which totaled approximately \$509 thousand.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

Because the District is considered a single governmental program business-type activity, the District is subcategorized into functional areas with direct expenses attributable to each area. Table/Graph 9 illustrates the District's functional operating expenses for fiscal years 2025.



Overall operating expenses increased \$15.4 million or 4.8% and \$8.8 million or 2.8% in fiscal year 2025 and 2024, respectively. The primary contributor of the increase is within scholarship expenses. Scholarships consists of both scholarships awarded directly to students and scholarship allowances, a contra expense. The increase in scholarship expense resulted primarily from the federal Pell grant program, which increased \$8.2 million and \$6.1 million in fiscal year 2025 and 2024, respectively. See THECB Schedule A, Schedule B, Table/Graph 7, and

Note 2 (Summary of Significant Accounting Policies) for additional information.

Salaries and benefits consumed 66.0%, 68.0%, and 63.8% of total operating expenses, totaling \$223.2 million, \$219.6 million, and \$200.4 million, in fiscal years 2025, 2024, and 2023, respectively; more than 50% of total salaries and benefits are within the Instruction functional classification. The Board of Trustees approved an overall salary increase of 5% for all full- and part-time employees effective for fiscal year 2025. Effective for fiscal year 2024, an increase of 5% for full-time and 3% for part-time employees was approved as well as increases in salary schedule bases and new hire salary ranges by 4% to stay competitive in the job market.

The District provided and expensed benefit costs for health insurance, retirement expense, 403(b) tax sheltered retirement plan matching a percentage of salaries for participating employees, and the employer portion of Medicare. Total benefits incurred by the District for all employees, excluding grant paid employees, were \$31.5 million, \$39.6 million, and \$38.0 million in fiscal year 2025, 2024, and 2023, respectively. Approximately 70.0%, 53.8%, and 54.6% of benefit expenses incurred by the District in fiscal years 2025, 2024, and 2023, respectively, were for medical insurance, pension expenses paid by the District, District expenses for Medicare and the District's matching percentage for the 403b deferred compensation plan. The remaining benefits expenses are primarily comprised of the District's proportionate share for pension and OPEB, which have no cash impact. See THECB Schedule B for additional information.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

While not primary contributors of fluctuations in fiscal years 2025 and 2024, other functional classifications are public service, academic support, student services, institutional support, operation and maintenance of plant, auxiliary enterprises, and depreciation. Public service represents expenses for activities for non-instructional services beneficial to individuals and groups external to the District. Academic support includes expenses incurred to provide support services for the District's primary programs of instruction. Student services include expenses incurred to aid and support the needs and interests of the students including counseling, advising, financial aid, admissions, and career guidance among others. Institutional support expenses consist of the District's executive management, fiscal operations, general administration, public relations and development, debt service and information technology. Utilities, custodial services, insurance, and repairs and maintenance are the major expenses incurred by operation and maintenance of plant. Auxiliary enterprises are expenses related to the revenue generating activities such as student housing, food and catering services, bookstore commissions, and facilities leasing. Depreciation is a noncash expense.

STATEMENT OF CASH FLOWS

The Statement of Cash Flows presents information related to cash inflows and outflows summarized by operating capital and non-capital financing, and investing activities. It provides relevant information when evaluating the financial viability of the District during the fiscal years ended August 31, 2025 and 2024. The Statement of Cash Flows can be used to assess the District's ability to meet current and future financial obligations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

During the current fiscal year, the District had ongoing construction and remodeling to several campuses including the District's Courtyard Center, Collin Higher Education Center, Plano Campus as well as a new Frisco Campus Health Science Building, Wylie Campus CTE Building, and Districtwide security enhancements. The projects began in late fiscal year 2024 and costs associated with the remodels are recorded as construction in progress, which increased \$66.1 million or 1022.2% in fiscal year 2025. Approximately \$2.9

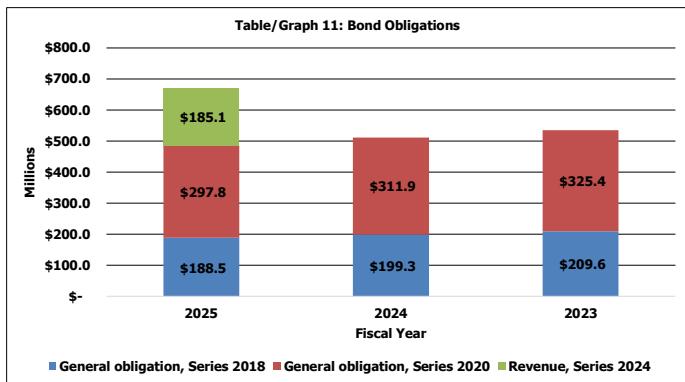
million in building expenses related to the Plano campus generator/ATS were capitalized in fiscal year 2024. Workday Student implementation, which began in fiscal year 2022, was completed and capitalized as a SBITA during fiscal year 2024 for a total of \$10.5 million. This

Table/Graph 10: Capital Assets			
	2025	2024	2023
Land	\$ 53,676,366	\$ 53,676,366	\$ 53,676,366
Construction in progress/work in progress	72,575,238	6,467,163	10,468,265
Buildings	844,732,341	844,732,341	841,759,984
Land improvements	22,114,130	22,114,130	21,200,169
Equipment/IT equipment & software	83,217,756	82,718,286	80,529,415
Library books	9,049,938	9,740,673	10,308,950
Right of use - leased equipment	2,456,959	2,456,959	2,456,959
Right of use - SBITA	33,906,727	30,766,622	19,362,434
Total capital assets	1,121,729,455	1,052,672,540	1,039,762,542
Less: accumulated depreciation	(252,214,474)	(226,962,464)	(200,488,620)
Total capital assets, net	\$ 869,514,981	\$ 825,710,076	\$ 839,273,922

attributed to the decrease in construction in progress and increase in right of use-SBITA in fiscal year 2024. Table/Graph 10 illustrates capital assets for fiscal years ending August 31, 2025, 2024, and 2023. See Note 5 (Capital Assets) for additional information.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024



The District continues to pay for debt incurred related to bond issuances in 2018, 2020, and the 2024 revenue bonds issued in November 2024. All outstanding bonds are payable over 20 years. The 2018 bonds and 2020 bonds are being used to fund the construction of four new campuses and the 2024 bonds are being used to fund the construction of additional buildings and renovations at existing campuses.

Table/Graph 11 illustrates the outstanding debt at the end of fiscal years 2025, 2024, and 2023. Interest on capital related debt for the last three years totaled \$22.5 million, \$17.5 million, and \$18.5 million for fiscal years 2025, 2024, and 2023, respectively. See Note 8 (Long Term Liabilities) and Note 9 (Bonds Payable) for additional information.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The economic position of the District remains closely tied to the performance of Collin County and the State of Texas. Collin County continues to be one of the fastest-growing counties in the region, reporting a population increase of 17.7% over the prior year. Certifiable assessed values are estimated to increase approximately 8.2% from the previous year. As a result, property tax revenues for the 2025–26 fiscal year are projected to increase by \$7.1 million, or 4.28%. Property tax estimates are based on certified assessed values determined by the Collin County Appraisal District.

The District's maintenance and operations tax rate and debt service tax rate for the fiscal year ending 2026 are \$0.0750 and \$0.00622, respectively, for a combined tax rate of \$0.08122. This rate has remained unchanged since the fiscal year ending 2019. The District also offers several property tax exemptions, including a homestead exemption equal to the greater of \$5,000 or 1.0% up to an amount equal to the greater of \$5,000 or 20.0%. Residential homeowners age 65 and older receive an exemption of \$100,000.

For the 2025–26 fiscal year, the District is projecting a 5% increase in credit hour enrollment and a 3.8% increase in budgeted tuition and fee revenue. However, in November 2024, Governor Greg Abbott directed Texas colleges and universities not to increase undergraduate tuition rates for the 2025–26 and 2026–27 academic years. Accordingly, no increases to tuition or mandatory fees were included in the 2025–26 budget.

Budgeted state appropriations reflect the amount authorized by the Texas Legislature. House Bill 8, passed in 2023, established an outcomes-based funding model aligned with the state's higher education strategic plan and regional workforce needs. The formula is driven primarily by:

- the number of high school students who complete 15 semester credit hours in dual credit or dual enrollment courses

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Management's Discussion and Analysis (unaudited) For the Years Ended August 31, 2025 and 2024

- the number of community college students who transfer successfully to public four-year universities or complete 15 semester credit hours in a structured co-enrollment program
- the number of students who earn credentials of value that support labor-market demand and provide pathways to high-quality careers.

State Appropriations for fiscal year 2025-26 are estimated at \$65.5 million which is a 5.1% increase over fiscal year 2024-25.

The Board of Trustees approved a 4.0% salary increase for all full-time and part-time faculty and staff, at an estimated cost of \$7.6 million, including benefits. An additional \$4.2 million was budgeted for a staff compensation study, merit adjustments, and pay grade realignments.

In October 2025, the Board of Trustees authorized a one-time payment of \$21.0 million to exit the Frisco Tax Increment Reinvestment Zone Number One (TIRZ No. 1) with the City of Frisco. This payment will be funded from the District's start-up and stabilization fund and is expected to generate future savings as new Master Plan and Strategic Plan priorities are developed.

Financial information can be obtained from the Collin County Community College District Business Office via written request to 3452 Spur 399, McKinney, Texas 75069 or by visiting our website at www.collin.edu and selecting *Required Links* at the bottom of the home page and then selecting the *Financial Transparency* link.



Melissa Irby, CPA
Chief Financial Officer



Barbara Johnston, CPA
Deputy Chief Financial Officer



Shandin Havens, CPA
Associate Vice President, Controller

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Basic Financial Statements

The basic financial statements and related notes provide a summary overview of the financial position and results of operations of the District and the Collin County Community College Foundation.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Statements of Net Position
As of August 31, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 140,971,060	\$ 134,027,084
Restricted cash and cash equivalents	74,494,189	41,839,439
Accounts receivable (net of allowance for doubtful accounts of \$760,548 and \$295,471, respectively)	29,571,174	21,630,583
Short-term investments	120,447,763	136,316,351
Restricted short-term investments	124,605,833	4,955,500
Tax receivable (net of allowance for doubtful accounts of \$1,787,064 and \$1,460,075, respectively)	561,564	696,770
Prepaid expenses	904,259	637,745
Total current assets	<u>491,555,842</u>	<u>340,103,472</u>
Non-current assets		
Long-term investments	108,539,308	94,046,079
Restricted long-term investments	10,009,917	-
Lease receivable	586,365	646,944
Capital assets, net		
Not subject to depreciation	126,251,604	60,143,529
Subject to depreciation/amortization	743,263,377	765,566,547
Total non-current assets	<u>988,650,571</u>	<u>920,403,099</u>
Total assets	<u><u>\$ 1,480,206,413</u></u>	<u><u>\$ 1,260,506,571</u></u>
 Deferred outflows of resources		
Deferred outflows related to pensions	\$ 17,377,584	\$ 30,264,099
Deferred outflows related to OPEB	15,805,229	20,726,322
Total deferred outflows of resources	<u><u>\$ 33,182,813</u></u>	<u><u>\$ 50,990,421</u></u>
 Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 32,354,979	\$ 13,698,490
Accrued interest	1,409,370	1,078,924
Funds held for others	446,907	444,787
Unearned revenue	35,940,344	33,076,545
Rebatable arbitrage liability	-	1,537,264
Compensated absences - current portion	302,223	276,391
Lease and SBITA liabilities - current portion	4,203,580	3,767,974
Bonds payable - current portion	28,010,000	21,615,000
Net OPEB liability - current portion	2,577,146	2,580,438
Total current liabilities	<u>105,244,549</u>	<u>78,075,813</u>
Non-current liabilities		
Compensated absences	2,291,965	1,881,155
Lease and SBITA liabilities	7,972,011	8,944,495
Net pension liability	59,405,423	65,943,440
Net OPEB liability	88,211,797	89,672,303
Bonds payable	643,375,803	489,571,381
Total non-current liabilities	<u>801,256,999</u>	<u>656,012,774</u>
Total liabilities	<u><u>\$ 906,501,548</u></u>	<u><u>\$ 734,088,587</u></u>
 Deferred inflows of resources		
Deferred inflows related to pensions	\$ 1,183,567	\$ 2,717,438
Deferred inflows related to OPEB	30,953,089	31,251,894
Deferred inflows related to leases	605,287	688,171
Total deferred inflows of resources	<u><u>\$ 32,741,943</u></u>	<u><u>\$ 34,657,503</u></u>
 Net position		
Net investment in capital assets	\$ 342,283,087	\$ 330,156,004
Restricted for:		
Expendable		
Student aid/non-governmental grants and contracts	2,749,491	2,810,529
Reserve for debt service	26,095,096	23,629,685
Reserve for bond funded projects	25,254,793	-
Unrestricted	177,763,268	186,154,684
Total net position	<u><u>\$ 574,145,735</u></u>	<u><u>\$ 542,750,902</u></u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE FOUNDATION, INC.**Statements of Financial Position
As of August 31, 2025 and 2024**

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$ 2,208,301	\$ 1,848,877
Accounts receivable	2,407	161,752
Pledges receivable, net of discount	746,682	839,526
Prepaid expenses	55,089	15,170
Investments	<u>24,776,280</u>	<u>22,167,067</u>
Total assets	<u><u>\$ 27,788,759</u></u>	<u><u>\$ 25,032,392</u></u>
Liabilities		
Accounts payable	<u>\$ 28,333</u>	<u>\$ 39,400</u>
Net Assets		
Without donor restrictions	\$ 2,302,452	\$ 1,846,296
With donor restrictions	<u>25,457,974</u>	<u>23,146,696</u>
Total net assets	<u><u>27,760,426</u></u>	<u><u>24,992,992</u></u>
Total liabilities and net assets	<u><u>\$ 27,788,759</u></u>	<u><u>\$ 25,032,392</u></u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended August 31, 2025 and 2024**

	2025	2024
Revenues		
Operating revenues:		
Tuition and fees (net of discounts of \$27,990,252 and \$25,297,225, respectively)	\$ 53,392,173	\$ 46,506,720
Federal grants and contracts	5,049,425	3,654,392
State grants and contracts	1,289,607	1,347,193
Non-governmental grants and contracts	125,813	136,861
Sales and services of educational activities	815,688	762,341
Auxiliary enterprises	5,460,376	4,764,534
Other operating revenues	582,750	604,162
Total operating revenues (Schedule A)	<u>66,715,832</u>	<u>57,776,203</u>
Expenses		
Operating expenses:		
Instruction	129,371,490	125,266,331
Public service	537,346	615,155
Academic support	35,018,510	35,942,014
Student services	23,980,111	24,712,256
Institutional support	52,424,418	50,336,233
Operation and maintenance of plant	27,781,246	26,346,933
Scholarships	32,246,187	23,949,038
Auxiliary enterprises	6,660,937	5,841,265
Depreciation	30,210,984	29,825,067
Total operating expenses (Schedule B)	<u>338,231,229</u>	<u>322,834,292</u>
Operating loss	<u>(271,515,397)</u>	<u>(265,058,089)</u>
Non-operating revenues (expenses):		
State appropriations	76,097,573	65,897,755
Ad-valorem taxes:		
Taxes for maintenance and operations	161,386,208	146,115,911
Taxes for general obligation bonds	13,667,317	12,494,914
Federal grants and contracts	44,317,004	35,823,290
State grants and contracts	4,037,662	3,548,220
Gifts	70,636	63,600
Investment income (net of investment expenses)	26,132,307	22,341,506
Interest on capital related debt	(22,534,828)	(17,541,826)
Other non-operating revenues	245,440	245,440
Other non-operating expenses	(509,089)	(64,104)
Net non-operating revenues (Schedule C)	<u>302,910,230</u>	<u>268,924,706</u>
Increase/(Decrease) in net position	<u>31,394,833</u>	<u>3,866,617</u>
Net position - beginning of year	542,750,902	538,803,407
Cumulative effect of change in accounting principle	-	80,878
Net Position - beginning of year restated	<u>542,750,902</u>	<u>538,884,285</u>
Net position - end of year (Schedule D)	<u>\$ 574,145,735</u>	<u>\$ 542,750,902</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE FOUNDATION, INC.**Statements of Activities**
For the Years Ended August 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Changes in net assets without donor restrictions:		
Revenues and other support:		
Donations and grants, net of adjustment to discount on pledges receivables	\$ 1,833	\$ -
Special events and fundraising	151,697	85,103
Less: cost of direct benefit to donors	(75,848)	(61,419)
Net investment returns	484,306	423,257
In-kind contributions	<u>589,744</u>	<u>680,250</u>
Net assets released from restrictions	<u>1,151,732</u>	<u>1,127,191</u>
	<u>1,167,139</u>	<u>1,327,152</u>
Total revenues and other support	2,318,871	2,454,343
Expenses:		
Program expenses	1,389,749	1,459,711
Supporting services:		
General and administrative	190,311	183,662
Fundraising	<u>282,655</u>	<u>322,983</u>
Total supporting activities	<u>472,966</u>	<u>506,645</u>
Total expenses	<u>1,862,715</u>	<u>1,966,356</u>
Change in net assets without donor restrictions	<u>456,156</u>	<u>487,987</u>
Changes in net assets with donor restrictions:		
Donations and grants, net of adjustment to discount on pledges receivables	1,254,188	1,657,199
Special events and fundraising	190,743	252,637
Net investment returns	100,000	2,652,438
In-kind contributions	<u>1,933,486</u>	-
Net assets released from restrictions	<u>3,478,417</u>	<u>4,562,274</u>
	<u>(1,167,139)</u>	<u>(1,327,152)</u>
Change in net assets with donor restrictions	<u>2,311,278</u>	<u>3,235,122</u>
Total change in net assets	2,767,434	3,723,109
Net assets at beginning of year	<u>24,992,992</u>	<u>21,269,883</u>
Net assets at end of year	<u>\$ 27,760,426</u>	<u>\$ 24,992,992</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Statements of Cash Flows**
For the Years Ended August 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Receipts from students and other customers	\$ 55,855,679	\$ 52,310,811
Receipts from grants and contracts	6,464,845	5,138,446
Other receipts	582,750	604,162
Payments to or on behalf of employees:		
Payments to employees	(177,155,939)	(164,921,267)
Payments for employee benefits	(23,510,638)	(22,252,061)
Payments to suppliers for goods and services	(36,265,086)	(49,251,508)
Payments for scholarships	(30,539,235)	(24,615,157)
Net cash used by operating activities	<u>(204,567,624)</u>	<u>(202,986,574)</u>
Cash flows from non-capital financing activities		
Receipts from state appropriations	62,347,953	51,586,037
Receipts from ad-valorem taxes	161,756,450	146,416,756
Receipts from gifts, grants and contracts (other than capital)	48,408,477	39,373,379
Receipts from student organizations and other agency transactions	2,120	76,268
Net cash provided by non-capital financing activities	<u>272,515,000</u>	<u>237,452,440</u>
Cash flows from capital and related financing activities		
Receipts from ad-valorem taxes	13,677,720	12,396,352
Receipts from bond issuance	185,006,172	-
Payments for capital assets	(73,999,064)	(16,259,475)
Payments on capital debt - principal	(25,852,717)	(25,836,672)
Payments on capital debt - interest	(22,204,382)	(17,633,588)
Net cash provided/(used) by capital and related financing activities	<u>76,627,729</u>	<u>(47,333,383)</u>
Cash flows from investing activities		
Proceeds from sales and maturities of investments	222,572,968	170,060,455
Interest on investments	19,207,804	14,369,936
Purchase of investments	(346,757,151)	(184,904,049)
Net cash used by investing activities	<u>(104,976,379)</u>	<u>(473,658)</u>
Change in cash and cash equivalents	39,598,726	(13,341,174)
Cash and cash equivalents - beginning of year	175,866,523	189,207,697
Cash and cash equivalents - end of year	<u>\$ 215,465,249</u>	<u>\$ 175,866,523</u>
Reconciliation of cash and cash equivalents to Exhibit 1:		
Cash and cash equivalents	\$ 140,971,060	\$ 134,027,084
Restricted cash and cash equivalents	74,494,189	41,839,439
	<u>\$ 215,465,249</u>	<u>\$ 175,866,523</u>

See accompanying notes to basic financial statements.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Statements of Cash Flows - continued**
For the Years Ended August 31, 2025 and 2024

	2025	2024
Reconciliation of net operating loss to net cash provided (used) by operating activities:		
Operating loss	\$ (271,515,397)	\$ (265,058,089)
Adjustments to reconcile net operating loss to net cash provided (used) in operating activities:		
Depreciation expense	30,210,984	29,825,067
Payments made directly by state for benefits	13,758,949	15,932,098
Net OPEB expense	3,139,832	6,285,159
Pension expense	(4,814,627)	(8,234,323)
Changes in assets and liabilities		
Receivables, net	(6,654,053)	(3,275,001)
Lease receivables	60,579	93,448
Prepaid expenses	(266,514)	423,028
Deferred outflows related to pensions	17,701,142	9,354,173
Deferred outflows related to OPEB	1,771,932	6,336,590
Accounts payable & other accrued liabilities	18,656,482	(479,119)
Unearned revenue	2,863,800	3,587,885
Accrued salary and benefits	436,642	(46,637)
Pension liability	(6,538,017)	8,328,730
OPEB liability	(1,463,798)	(3,387,302)
Deferred inflows related to pensions	(1,533,871)	(1,214,257)
Deferred inflows related to OPEB	(298,805)	(1,328,908)
Deferred inflows related to leases	(82,884)	(129,116)
Net cash used by operating activities	<u>\$ (204,567,624)</u>	<u>\$ (202,986,574)</u>
Schedule of non-cash investment, capital, and financing activities:		
Payments made directly by state for benefits	\$ 12,102,812	\$ 17,223,694
Capital purchases on account	3,840,928	1,281,000
Increase (decrease) in fair value of investments	(7,856)	(2,807,361)
Donated capital asset	16,825	61,650
Net amortization of bond premiums and discounts	(3,700,839)	(3,318,601)
Net non-cash investment, capital, and financing activities	<u>\$ 12,251,870</u>	<u>\$ 12,440,382</u>

See accompanying notes to basic financial statements.

NOTE 1. REPORTING ENTITY

The Collin County Community College District (the "District") was established in 1985, in accordance with the laws of the State of Texas, to serve the educational needs of the District. The District's student body is primarily comprised of residents from Collin County and surrounding communities. The District has partnerships with 16 area ISDs to provide dual credit opportunities to local school students interested in pursuing higher education while enrolled in high school. Along with iCollin Virtual Campus, the college currently has 11 campuses and centers in Allen, Celina, Farmersville, Frisco, McKinney, Plano, and Wylie.

The District is considered to be a special-purpose, primary government according to U.S. Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* that is engaged in business type activities. While the District receives funding from local, state, and federal sources and must comply with these entities' spending, reporting, and recordkeeping requirements, it is not a component unit of any other governmental entity.

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units, including the Collin County Community College District Foundation, Inc. (the "Foundation"). The Foundation is a nonprofit organization with the sole purpose of supporting the education and other activities of the District. The District does not appoint a voting majority, nor is it obligated to pay debt related to the Foundation. The Foundation solicits donations and acts as a coordinator of gifts made by other parties. The Foundation made restricted payments to or on behalf of the District in amounts totaling approximately \$1,607,064 and \$1,482,899 during the years ending August 31, 2025 and 2024, respectively. During the fiscal year, the District furnished certain services, such as office space, utilities, and staff assistance to the Foundation. District funds used to support the Foundation for the fiscal year ending August 31, 2025 and 2024 totaled \$494,188 and \$670,209, respectively. The costs of these services were not significant to the District. The financial position and results of operations of the Foundation are included in these financial statements in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement No. 14*, and Statement No. 61 *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34* as an affiliated entity because the Foundation's sole function is to fund the District and its students.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Reporting Guidelines**

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Tuition Discounting****Texas Public Education Grants (TPEG)**

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called the Texas Public Education Grant ("TPEG"), is shown with tuition and fee revenue amounts as a separate set aside amount (Texas Education Code §56.033). When the award for tuition and fees is used by the student, the amount is recorded as tuition and a corresponding amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount disbursed is recorded as scholarship expense.

Title IV, Higher Education Act Program Funds

Certain Title IV HEA Program funds (Pell grants and FSEOG) are received by the District and passed on to the student. These funds are initially received by the District and recorded as restricted revenue. When the student uses the award for tuition and fees, the amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

The District awards tuition and fee scholarships from institutional funds to qualified students. When these amounts are used for tuition and fees, the District records the amount as a tuition discount. If the amount is disbursed directly to the student, the District records the amount as scholarship expense.

Basis of Accounting

The financial statements of the District are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned, and expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

Budgetary Data

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

Board policy requires that the District maintain a minimum fund balance equal to 15% of the total current year unrestricted fund budgeted expenses effective for fiscal year 2025 and 25% of educational expenses adjusted for reserves and allocations for fiscal year 2024. The minimum unrestricted fund balance to be maintained was \$54,991,023 and \$61,190,585 for the years ended August 31, 2025 and 2024, respectively. The District exceeded this minimum required fund balance for both years.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Cash and Cash Equivalents**

The District considers cash and cash equivalents as cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The District also considers funds on deposit with TexPool, Texas Range, TexSTAR and Texas Connect, which are statewide investment pools, as cash and cash equivalents.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, GASB Statement No. 72, *Fair Value Measurement and Application GASB Statement* and GASB No. 79, *Certain External Investments Pools and Pool Participants*, the District reports investments at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at the time of purchase. Long-term investments have an original maturity greater than one year at the time of purchase. The District intends to hold these investments until maturity.

Capital Assets

The District records capital assets at historical cost at the date of acquisition. Donated capital assets are recorded at acquisition value at the date of donation. Right to use assets are initially measured at the initial amount of the related liability, which is based on the present value of payments expected to be received during the term of the applicable arrangement (see the policy on Leases). The District's capitalization policy includes all assets with a purchase cost of \$5,000 or more, individually or \$500,000 in the aggregate if purchased in bulk, and has an estimated useful life in excess of one year. The District charges costs of normal maintenance and repairs that do not add to the asset's value or materially extend the assets' lives to operating expenses in the year in which the expense is incurred.

Depreciation on buildings and site improvements is calculated using the half-year convention, straight-line method with a residual value of 10%. Depreciation on assets and right-to-use leased assets other than buildings and site improvements is computed using the straight-line method over the estimated useful lives of the assets applying the half-year convention and no residual value. Depreciation is not allocated to the functional expense categories. Expenditures for construction/work in progress are capitalized as incurred but are not depreciable until assets are put into service. Intangible assets follow the same capitalization policy as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Right-to-use assets are amortized over the term of the applicable arrangement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Capital Assets (continued)**

The District reports capital assets net of accumulated depreciation. The following useful lives are used:

Buildings	50 years
Building and land improvements	20 years
Library books	15 years
Furniture, equipment, and vehicles	10 years
IT equipment and software	5 years
Right-to-use lease asset	term of the arrangement
Right-to-use SBITA asset	term of the arrangement

Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not (MLTN) to be used as time off or settled during or upon separation from employment. The District's assumption for leave usage flow is Last In, First Out (LIFO), meaning that the District assumes employees used the most recent hours accrued as the first to be used for time off. Based on those criteria, two types of leave qualify for liability recognition for compensated absences.

Vacation

The District's policy permits full-time employees to accumulate earned but unused vacation benefits, with a carryover limit of not more than 120 hours. Upon separation of employment, a maximum of 10 days are eligible for payment at the employee's current pay rate at the time of separation.

Sick Leave

The District's policy permits employees to accumulate earned but unused sick leave for full-time equivalent employees. Sick leave for full-time equivalent employees is earned at the rate of 8 hours per month and accumulates to a maximum of 720 hours. It is paid to an employee who misses work due to illness, but is not eligible for payment upon separation of employment. Adjunct Faculty are eligible to receive the equivalent of one week of paid sick leave per course each semester they are employed (1/16th of the total course contact hours). Paid sick leave for adjunct faculty members is granted on a per-semester basis and does not accrue.

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

In addition to assets, the Statement of Net Position will include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. A typically deferred outflow of resources for community colleges is a deferred charge on refunding debt, pension, and OPEB deferred outflows.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Deferred Outflows and Inflows of Resources (continued)****Deferred Inflows of Resources**

In addition to liabilities, the Statement of Net Position will include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements, the District reports deferred amounts related to leases and deferred amounts related to pension and OPEB.

Pensions

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

Other Post-Employment Benefits (OPEB)

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

Supplemental Tax-Sheltered Retirement Plan

Full-time, benefits-eligible employees may elect to participate in a district-sponsored supplemental tax-sheltered retirement plan that includes a dollar-for-dollar match of an employee's contributions to an individual tax-sheltered retirement account, up to a maximum of 4% of the employee's full-time salary.

Unearned Revenues

Unearned revenues primarily consist of tuition and fees related to academic terms in the next fiscal year. Unearned revenues related to grant funds pertain to funds received but not yet expended.

Estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Operating and Non-Operating Revenue and Expense Policy**

The District distinguishes operating revenues and expenses from non-operating items. The District reports as a business-type activity ("BTA") and a single proprietary fund. Operating revenues and expenses generally result from providing services connected to the District's principal ongoing operations. The principal operating revenues are tuition and related fees and federal grants and contracts, excluding Title IV financial aid programs. The major non-operating revenues include state appropriations, ad-valorem taxes, federal grant and contracts related to Title IV financial aid programs, and investment income. Operating expenses include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. Non-operating expenses consist of interest on capital-related debt.

Related Party Disclosure Required by the U.S. Department of Education (Unaudited)

To comply with the Financial Responsibility, Administrative Capability, Certification Procedures, Ability to Benefit regulation promulgated by the U.S Department of Education, the District Board of Trustees reports there were no related party transactions during the fiscal years ended August 31, 2025 and 2024.

Income Tax Status

The District is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, etc., Organizations*. The District had no significant unrelated business income tax liability for the years ended August 31, 2025 and 2024, and therefore, has not recorded a liability for income taxes.

Board Designations

The Board has set aside certain amounts in unrestricted net position. The Board has designated \$24,750,000 to provide maintenance and operations stabilization. Although maintenance and operations costs are budgeted yearly, this amount was set aside in case of decreased property values. The District also designated \$100,000 to cover insurance deductibles in the event of a catastrophic loss.

Leases**Lessee**

The District is a lessee under non-cancelable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial individual value of \$25,000 or more.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Leases (continued)**

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

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

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is using interest rates ranging from 3.31% to 4.00%.
- The lease term includes the non-cancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

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

Lessor

The District is a lessor related to third parties for cell tower usage. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**Leases (continued)**

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate of 4% as the discount rate for leases when an interest rate is not stated in a lease.
- The lease term includes the non-cancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITA)

The District is under contracts for Subscription-Based Technology Arrangements (SBITA) for various educational, IT management, facilities management, and financial software agreements. The agreements/contracts are non-cancelable, and the District recognizes a SBITA liability and an intangible right-to-use SBITA asset in the financial statements. The District recognizes SBITA liabilities with an initial individual value of \$100,000 or more over the contract term.

At the commencement of the SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of the SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over the useful life. Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The District uses the interest rate the SBITA vendor charges as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITA. The District currently uses the incremental borrowing rate of 4% for SBITA.
- The SBITA term includes the non-cancelable period of the SBITA, and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District does not intend to purchase any of the software at the end of the SBITA terms.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

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

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

Restatement

During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not (MLTN) to be used for time off or otherwise paid in cash or settled through noncash means.

In conjunction with this implementation, the District revised its methodology for compensated absence liabilities by adopting a Last-In, First-Out (LIFO) assumption to better reflect the actual usage patterns of employee leave absences. Additional information is provided in Note 12 Compensated Absences. Because the Statement is retroactive, the beginning net position must be restated for fiscal year 2024.

The effect of change in accounting principle is summarized below:

Beginning net position, as originally presented	\$ 538,803,407
Restatement:	
Accrued compensable absences payable - current portion	79,083
Accrued compensable absences payable	1,795
Beginning net position, as restated	<u>\$ 538,884,285</u>

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**New Accounting Pronouncement-Implemented****GASB Statement No. 101, Compensated Absences.**

The objective of the statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The District adopted this Statement for the year ended August 31, 2025.

GASB Statement No. 102, Certain Risk Disclosures.

The objective of the statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The Statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, GASB 102 requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If the criteria for disclosure have been met the government should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of substantial impact. The District adopted this Statement for the year ended August 31, 2025.

New Accounting Pronouncement-Pending

The following pronouncements were issued by the Governmental Accounting Standards Board (GASB) but are not yet effective. The District has not yet determined the effects of the adoption on its financial statements.

GASB Statement No. 103, Financial Statement Reporting Model Improvements.

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability. This Statement addresses (1) management's discussion and analysis, (2) unusual or infrequent items, (3) presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, (4) major component unit information, and (5) budgetary comparison information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued**New Accounting Pronouncement-Pending (continued)****GASB Statement No. 104, Disclosure of Certain Capital Assets**

The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

NOTE 3. AUTHORIZED INVESTMENTS

The Board of Trustees of the District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act (Sec. 2256, Texas Government Code, the "Act") as amended. This policy is reviewed and approved by the Board of Trustees annually. The policy allows the District to invest in selected investments authorized by the Public Funds Investment Act (Sec. 2256.006 Texas Government Code). Such investments include the following:

- Treasury bills, treasury notes, and treasury bonds of the United States and other direct obligations of the agencies and instrumentalities of the United States,
- FDIC insured or collateralized time or demand deposits issued by a state or national bank domiciled in this state that are guaranteed by the FDIC or secured by obligations described in Public Funds Collateral Act, Chapter 2257,
- Fully collateralized repurchase agreements as expressly defined by Texas Government Code 2256.011,
- Local government investment pools approved by the College District's Board, by resolution, with a continuous rating of no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and striving to maintain a \$1 net asset value,
- No-load AAA-rated money market mutual funds as permitted by Texas Government Code 2256.014,
- Domestic commercial paper rated A1/P1 or equivalent with a maximum maturity of 270 days,
- Obligations of state, agencies, counties, cities, and other political subdivisions of any US state rated A or equivalent by a nationally recognized investment rating agency,
- FDIC insured, brokered certificates of deposit securities issued by any bank in the US delivery-versus-payment to the District's safekeeping agent, and
- Share certificates of credit unions domiciled in the state insured by the National Credit Union Insurance Fund,
- Interest bearing accounts in any bank in Texas, FDIC insured or collateralized in accordance with this policy.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 4. DEPOSITS AND INVESTMENTS**

On August 31, 2025 and 2024, the net carrying amount of the District's deposits were \$320,927 and \$271,678 after reclassifying overdrafts of \$3,114,113 and \$2,599,853, respectively. Bank balances up to \$250,000 are covered by the Federal Depository Insurance Corporation and the remainder was covered by collateral pledged in the District's name. The collateral was held in the District's name by the safekeeping department of the Federal Reserve Bank, which acts as the pledging bank's agent, and had a fair value of \$6,858,810 and \$994,265 as of August 31, 2025 and 2024, respectively. The District is subject to custodial credit risk in the event of the bank's nonperformance under the collateral agreement.

Cash and cash equivalents, as reported in Exhibit 1, Statements of Net Position, consist of the following items:

	2025	2024
Cash and cash equivalents:		
Petty cash on hand	\$ 37,275	\$ 38,025
Checking account	320,927	271,678
TexPool	72,148,946	126,112,178
TexSTAR	3,832,831	3,664,961
Texas Range	5,939,380	5,678,624
Texas Connect	124,334,349	40,101,057
US Bank	8,851,541	-
Total cash and cash equivalents	<u>\$ 215,465,249</u>	<u>\$ 175,866,523</u>

In accordance with GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*, colleges may also report money market and other short-term, highly liquid investments at amortized cost, provided that the fair value is not significantly different. This GASB Statement considers U.S. Treasury and agency obligations with maturities of less than one year to be money market investments.

As of August 31, 2025 and 2024, the District had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)					Rating
		Less than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years		
US treasury notes and bills	\$ 206,807,954	\$ 121,526,900	\$ 54,416,445	\$ 15,936,875	\$ 14,927,734		AA+
US government agencies	97,260,614	63,992,443	33,268,171	-	-		AA+
Commercial paper	59,393,239	59,393,239	-	-	-		A1/P1
Unvested leadership benefits	141,014	141,014	-	-	-		N/A
Total fair value	<u>\$ 363,602,821</u>	<u>\$ 245,053,596</u>	<u>\$ 87,684,616</u>	<u>\$ 15,936,875</u>	<u>\$ 14,927,734</u>		

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
Notes to Basic Financial Statements
August 31, 2025 and 2024
NOTE 4. DEPOSITS AND INVESTMENTS-continued

Investment Type	Fair Value	Investment Maturities (in Years)					Rating
		Less than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years		
US treasury notes and bills	\$ 40,187,381	\$ 24,633,807	\$ 15,553,574	\$ -	\$ -	\$ -	AAA
US government agencies	140,699,947	62,207,442	45,062,925	-	-	33,429,580	AAA
Commercial paper	54,228,763	54,228,763	-	-	-	-	A1/P1
Unvested leadership benefits	201,839	201,839	-	-	-	-	N/A
Total fair value	<u>\$ 235,317,930</u>	<u>\$ 141,271,851</u>	<u>\$ 60,616,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,429,580</u>	

Reconciliation of Deposits and Investments between Note 4 and Exhibit 1, Statement of Net Position on August 31, 2025 and 2024 is as follows:

	2025	2024
Cash and cash equivalents	\$ 215,465,249	\$ 175,866,523
Current investments	245,053,596	141,271,851
Non-current investments	<u>118,549,225</u>	<u>94,046,079</u>
Total	<u>\$ 579,068,070</u>	<u>\$ 411,184,453</u>
Per Exhibit 1:		
Cash and cash equivalents	\$ 140,971,060	\$ 134,027,084
Restricted cash and cash equivalents	74,494,189	41,839,439
Short-term investments	120,447,763	136,316,351
Restricted short-term investments	124,605,833	4,955,500
Long-term investments	108,539,308	94,046,079
Restricted long-term investments	10,009,917	-
Total	<u>\$ 579,068,070</u>	<u>\$ 411,184,453</u>

Restricted cash and cash equivalents and restricted short- and long-term investments represent unspent proceeds from the 2020 and 2024 bond issuance, and cash received, not spent, from ad-valorem taxes for debt service. For additional information on the bond issuance, see Note 9 Bonds Payable.

Credit Risk

A primary stated objective of the District's Board-adopted Investment Policy is the safety of principal and avoidance of principal loss while meeting cash flow needs. Risk is controlled by investment only in the highest credit quality investments as defined by Policy. The investments primary objective is to ensure that capital losses are avoided, whether from security defaults or erosion of fair value.

NOTE 4. DEPOSITS AND INVESTMENTS-continued**Credit Risk (continued)**

Credit risk within authorized investments of the District's portfolio is represented by only:

- Certificates of deposit from Texas banks and negotiable certificates of deposit of any bank,
- Repurchase agreements,
- Brokered certificate of deposit securities,
- Commercial paper, and
- Obligations of any state of the United States or any political subdivision of any U.S. state.

US Treasury and agency obligations are all AAA rated. The policy also includes a procedure for monitoring and liquidating any security which loses its required credit rating.

State law and the District's adopted Investment Policy restrict both time and demand deposits to those with banks doing business in the State of Texas and further require full FDIC insurance and 102% collateralization above FDIC coverage on all deposits. Collateral is held in an independent third-party institution and is marked to market on a monthly basis as a contractual responsibility of the bank. Collateral is restricted to fully guaranteed obligations of the US Government, its agencies or instrumentalities and reported by the custodian monthly.

Repurchase agreements are limited to those with defined termination dates and executed only with a primary dealer (as defined by the Federal Reserve) or a Texas bank. The transaction requires an industry standard, written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Reverse repurchase securities must be matched to the underlying reverse maturity.

Commercial paper is restricted by Policy and state law to A1/P1 or equivalent by at least two nationally recognized rating agencies. Policy restricts the securities to 270 days to stated maturity.

The adopted Investment Policy restricts investment in money market mutual funds to those which are regulated by the SEC and comply with Rule 2a-7 of the SEC. The fund must be rated AAA or equivalent and strive to maintain a \$1 net asset value.

Local government investment pools are restricted by state law and policy. Pools for the District must strive to maintain a \$1 net asset value. Local government investment pools in Texas are required to be rated AAA, or equivalent by at least one nationally recognized rating agency.

Governmental debt of states, agencies, counties, cities, and other political subdivisions of any US state must be rated A or better by one national recognized credit rating agency.

Share certificates of credit unions in Texas must be insured by the National Credit Union Insurance Fund.

NOTE 4. DEPOSITS AND INVESTMENTS-continued**Credit Risk (continued)**

As of August 31, 2025, percentages of each investment type to the total portfolio:

- US Treasury obligation represented 35.75%,
- Commercial paper represented 10.26%,
- US agency obligations represented 16.81%,
- Investment in local government investment pools represented 35.63%,
- Depository demand and money market accounts represented 1.55%.

As of August 31, 2024, percentages of each investment type to the total portfolio:

- US Treasury obligation represented 9.78%,
- Commercial paper represented 13.21%,
- US agency obligations represented 34.21%,
- Investment in local government investment pools represented 42.76%,
- Depository demand and money market accounts represented 0.04%.

Concentration of Credit Risk

The District recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The adopted Investment Policy establishes diversification as a major objective of the investment program.

As of August 31, 2025 and 2024, all funds were diversified, as shown above.

Interest Rate Risk

In order to limit interest and market rate risk from changes in interest rates, the District's adopted Investment Policy sets a maximum maturity limit of five (5) years. The maximum weighted average maturity (WAM) is restricted to thirty-six (36) months.

As of August 31, 2025, the portfolio contained:

- No holdings with a stated maturity date beyond 1,430 days,
- Holdings maturing beyond one year represented 20.50% of the total portfolio,
- The dollar weighted average maturity of the Pooled Funds portfolio was 202 days,
- The portfolio contained no structured notes.

As of August 31, 2024, the portfolio contained:

- No holdings with a stated maturity date beyond 808 days,
- Holdings maturing beyond one year represented 22.91% of the total portfolio,
- The dollar weighted average maturity of the Pooled Funds portfolio was 183 days,

NOTE 4. DEPOSITS AND INVESTMENTS-continued**Custodial Credit Risk**

To control custody and safekeeping risk, state law and the District's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the District and held in the District's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

As of August 31, 2025, the portfolio:

- Contained no repurchase agreements,
- All bank deposits were fully insured and collateralized to 102%, and
- All pledged bank collateral for demand deposits was held by an independent institution outside the bank's holding company.

As of August 31, 2024, the portfolio:

- Contained no repurchase agreements,
- All bank deposits were fully insured and collateralized to 102%, and
- All pledged bank collateral for demand deposits was held by an independent institution outside the bank's holding company.

Following is a list of the individual investments held and their respective credit ratings as of August 31, 2025:

Investment Type	Rating
U.S. Treasury Notes:	
T-Note	AA+
U.S. Government:	
FFCB	AA+
FHLB	AA+
Commercial Paper:	
Mackinac Funding Company, LLC	A1/P1
Barclays Capital Inc	A1
Mizuho Bank, Ltd., New York Branch	A1/P1
Natixis, New York Branch	A1/P1
Ridgefield Funding Company, LLC	P1
Money Market:	
First American Funds, Inc	AAA

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2025 and 2024

NOTE 4. DEPOSITS AND INVESTMENTS-continued

Fair Value of Financial Instruments

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to their fair value measurement of the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the District can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Because the District investments are restricted by Policy and state law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The *exit* or fair market prices used for these market valuations of the portfolio are all Level 2 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date.

Fair Value Hierarchy of investments at August 31, 2025 and 2024:

	2025				2024
	Level 1	Level 2	Level 3	Total	Total
US treasuries	\$ -	\$ 206,807,954	\$ -	\$ 206,807,954	\$ 40,187,381
US government agencies	-	97,260,614	-	97,260,614	140,789,744
Commercial paper	-	59,393,239	-	59,393,239	54,138,966
Unvested leadership benefits	-	141,014	-	141,014	201,839
Total fair value	\$ -	\$ 363,602,821	\$ -	\$ 363,602,821	\$ 235,317,930

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
Notes to Basic Financial Statements
August 31, 2025 and 2024
NOTE 5. CAPITAL ASSETS

The following table summarizes changes in capital assets balances for the year ended August 31, 2025:

	Balance 8/31/2024	Increases	(Decreases) Adjustments	Balance 8/31/2025
Non-depreciable capital assets:				
Land	\$ 53,676,366	\$ -	\$ -	\$ 53,676,366
Construction/work in progress	6,467,163	66,108,075	-	72,575,238
Total non-depreciable capital assets	60,143,529	66,108,075	-	126,251,604
Depreciable capital assets:				
Buildings	844,732,341	-	-	844,732,341
Land improvements	22,114,130	-	-	22,114,130
Equipment/IT equipment and software	82,718,286	3,099,520	(2,600,050)	83,217,756
Library books	9,740,673	260,067	(950,802)	9,049,938
Right of use - lease equipment	2,456,959	-	-	2,456,959
Right of use - subscription asset	30,766,622	4,560,928	(1,420,823)	33,906,727
Total depreciable capital assets	992,529,011	7,920,515	(4,971,675)	995,477,851
Accumulated depreciation/amortization:				
Buildings	147,933,089	15,379,216	-	163,312,305
Land improvements	15,678,379	600,816	-	16,279,195
Equipment/IT equipment and software	46,569,794	7,082,986	(2,600,050)	51,052,730
Library books	6,266,084	490,886	(950,802)	5,806,168
Right of use - lease equipment	670,439	461,245	-	1,131,684
Right of use - subscription asset	9,844,679	6,195,835	(1,408,122)	14,632,392
Total accumulated depreciation/amortization	226,962,464	30,210,984	(4,958,974)	252,214,474
Depreciable capital assets, net	765,566,547	(22,290,469)	(12,701)	743,263,377
Capital assets, net	\$ 825,710,076	\$ 43,817,606	\$ (12,701)	\$ 869,514,981

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
Notes to Basic Financial Statements
August 31, 2025 and 2024
NOTE 5. CAPITAL ASSETS-continued

For comparison purposes, the following table summarizes changes in capital assets balances for the year ended August 31, 2024:

	Balance 8/31/2023	Increases	(Decreases) Adjustments	Balance 8/31/2024
Non-depreciable capital assets:				
Land	\$ 53,676,366	\$ -	\$ -	\$ 53,676,366
Construction/work in progress	10,468,265	10,741,181	(14,742,283)	6,467,163
Total non-depreciable capital assets	<u>64,144,631</u>	<u>10,741,181</u>	<u>(14,742,283)</u>	<u>60,143,529</u>
Depreciable capital assets:				
Buildings	841,759,984	2,972,357	-	844,732,341
Land improvements	21,200,169	913,961	-	22,114,130
Equipment/IT equipment and software	80,529,415	2,665,981	(477,110)	82,718,286
Library books	10,308,950	302,357	(870,634)	9,740,673
Right of use - lease equipment	2,456,959	-	-	2,456,959
Right of use - subscription asset	19,362,434	13,467,572	(2,063,384)	30,766,622
Total depreciable capital assets	<u>975,617,911</u>	<u>20,322,228</u>	<u>(3,411,128)</u>	<u>992,529,011</u>
Accumulated depreciation/amortization:				
Buildings	132,583,757	15,349,332	-	147,933,089
Land improvements	15,099,877	578,502	-	15,678,379
Equipment/IT equipment and software	39,891,178	7,155,726	(477,110)	46,569,794
Library books	6,617,898	518,818	(870,632)	6,266,084
Right of use - lease equipment	209,194	461,245	-	670,439
Right of use - subscription asset	6,086,716	5,761,444	(2,003,481)	9,844,679
Total accumulated depreciation/amortization	<u>200,488,620</u>	<u>29,825,067</u>	<u>(3,351,223)</u>	<u>226,962,464</u>
Depreciable capital assets, net	<u>775,129,291</u>	<u>(9,502,839)</u>	<u>(59,905)</u>	<u>765,566,547</u>
Capital assets, net	<u>\$ 839,273,922</u>	<u>\$ 1,238,342</u>	<u>\$ (14,802,188)</u>	<u>\$ 825,710,076</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 6. LEASES****Lease Receivable**

The District currently leases building rooftop space to third parties for cell tower use. The remaining lease terms range from 6 to 12 years, and the District receives monthly payments of \$7,008 to \$8,555 related to these lease agreements. The District recognized \$82,884 in lease revenue in both fiscal year 2025 and 2024. The District recognized \$26,979 and \$29,264 in interest revenue in fiscal year 2025 and 2024, respectively. As of August 31, 2025 and 2024, the District's receivable for lease payments was \$646,944 and \$705,152, respectively. Also, the District has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of August 31, 2025 and 2024, the balance of the deferred inflow of resources was \$605,287 and \$688,171, respectively.

The present value of the future principal and interest lease payments as of August 31, 2025 and 2024, were as follows:

2025				
August 31,	Principal	Interest	Total	
2026	\$ 60,579	\$ 24,775	\$ 85,354	
2027	74,645	22,117	96,762	
2028	79,132	19,028	98,160	
2029	82,356	15,805	98,161	
2030	85,712	12,449	98,161	
2031-35	204,480	34,088	238,568	
2036-39	60,040	1,614	61,654	
	<u>\$ 646,944</u>	<u>\$ 129,876</u>	<u>\$ 776,820</u>	

2024				
August 31,	Principal	Interest	Total	
2025	\$ 58,208	\$ 27,147	\$ 85,355	
2026	60,579	24,775	85,354	
2027	74,645	22,117	96,762	
2028	79,132	19,028	98,160	
2029	82,356	15,805	98,161	
2030-34	244,272	43,135	287,407	
2035-38	105,959	5,016	110,975	
	<u>\$ 705,151</u>	<u>\$ 157,023</u>	<u>\$ 862,174</u>	

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 6. LEASES-continued****Lease Payable**

The District is currently entered into lease agreements as lessee for the use of copiers and a firetruck. As of August 31, 2025 and 2024, the value of the lease liability for these leases was \$1,280,961 and \$1,735,441, respectively. The District was required to make monthly principal and interest payments for a yearly total of \$515,928 for both fiscal year 2025 and 2024. The leases have interest rates ranging from 3.31% to 4.00%. The District does not intend to purchase the firetruck or copiers at the end of the lease term. The value of the right-to-use assets as of August 31, 2025 and 2024 was \$2,456,959 for both years and had accumulated amortization of \$1,131,684 and \$670,439, respectively.

The present value of the future principal and interest lease payments as of August 31, 2025 and 2024, were as follows:

2025

August 31,	Principal	Interest	Total
2026	\$ 472,446	\$ 43,482	\$ 515,928
2027	414,109	24,803	438,912
2028	394,406	7,932	402,338
	<u>\$ 1,280,961</u>	<u>\$ 76,217</u>	<u>\$ 1,357,178</u>

2024

August 31,	Principal	Interest	Total
2025	\$ 454,482	\$ 61,447	\$ 515,929
2026	472,446	43,482	515,928
2027	414,109	24,803	438,912
2028	394,404	7,932	402,336
	<u>\$ 1,735,441</u>	<u>\$ 137,664</u>	<u>\$ 1,873,105</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)****SBITA Liabilities**

The District has a total of 23 subscription-based information technology arrangements (SBITA): 16 for educational software, 9 for IT management software, 5 for facilities management software, and 3 for financial software. As of August 31, 2025 and 2024, the value of the SBITA liability, the yearly principal and interest payments, and the value of the right-to-use asset were as follows.

	2025			
	Subscription Liability		Subscription Asset	
	Original Amount	Outstanding Balance	Value of Subscription Asset	Accumulated Amortization
Educational SBITAs	\$ 1,701,791	\$ 2,920,812	\$ 6,600,181	\$ 3,042,074
IT management SBITAs	730,755	1,245,169	2,153,590	753,485
Facilities management SBITAs	734,419	581,244	2,122,743	1,331,258
Financial SBITAs	9,405,950	6,147,405	23,030,213	9,505,573
	<u>\$ 12,572,915</u>	<u>\$ 10,894,630</u>	<u>\$ 33,906,727</u>	<u>\$ 14,632,390</u>

	2024			
	Subscription Liability		Subscription Asset	
	Original Amount	Outstanding Balance	Value of Subscription Asset	Accumulated Amortization
Educational SBITAs	\$ 1,701,791	\$ 1,513,484	\$ 3,836,208	\$ 1,743,107
IT management SBITAs	730,755	801,696	2,063,722	1,142,348
Facilities management SBITAs	734,419	863,865	1,857,649	755,132
Financial SBITAs	9,405,950	7,797,983	23,009,043	6,204,092
	<u>\$ 12,572,915</u>	<u>\$ 10,977,028</u>	<u>\$ 30,766,622</u>	<u>\$ 9,844,679</u>

There are no variable payments for the SBITA agreements. The District uses the incremental borrowing rate of 4% as the interest rate for SBITAs. In addition, the District does not intend to purchase the software at the end of the SBITA terms. The estimated useful life of SBITAs ranges from 2-10 years.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2025 and 2024

NOTE 7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)-continued

The future principal and interest SBITA payments as of August 31, 2025 and 2024, were as follows:

2025

August 31,	Principal	Interest	Total
2026	\$ 3,731,132	\$ 435,785	\$ 4,166,917
2027	3,063,103	286,540	3,349,643
2028	2,013,791	164,016	2,177,807
2029	1,789,492	83,464	1,872,956
2030	297,112	11,885	308,997
	<u>\$ 10,894,630</u>	<u>\$ 981,690</u>	<u>\$ 11,876,320</u>

2024

August 31,	Principal	Interest	Total
2025	\$ 3,313,491	\$ 439,081	\$ 3,752,572
2026	2,573,020	306,541	2,879,561
2027	1,838,933	203,621	2,042,554
2028	1,744,836	130,063	1,874,899
2029	1,506,748	60,270	1,567,018
	<u>\$ 10,977,028</u>	<u>\$ 1,139,576</u>	<u>\$ 12,116,604</u>

NOTE 8. LONG-TERM LIABILITIES

The following table summarizes changes in long-term liabilities for the year ended August 31, 2025:

	Balance 8/31/2024	Additions	Reductions	Amortization of Premium	Amortization of Discount	Balance 8/31/2025	Current Portion	Non-Current Portion
Bonds:								
General obligation bonds:								
Series 2018	\$ 199,263,607	\$ -	\$ (9,875,000)	\$ (931,437)	\$ 43,321	\$ 188,500,491	\$ 10,370,000	\$ 178,130,491
Series 2020	311,922,774	-	(11,740,000)	(2,430,485)	-	297,752,289	12,325,000	285,427,289
Total general obligation bonds	511,186,381	-	(21,615,000)	(3,361,922)	43,321	486,252,780	22,695,000	463,557,780
Revenue bonds:								
Series 2024	-	185,515,261	-	(382,238)	-	185,133,023	5,315,000	179,818,023
Total bonds	511,186,381	185,515,261	(21,615,000)	(3,744,160)	43,321	671,385,803	28,010,000	643,375,803
Compensated absences	2,157,546	5,993,738	(5,557,096)			2,594,188	302,223	2,291,965
Lease and SBITA liabilities:								
Leased equipment	1,735,441	-	(454,481)	-	-	1,280,960	472,447	808,513
Educational SBITAs	1,513,484	1,407,329	-	-	-	2,920,813	1,119,880	1,800,933
IT management SBITAs	801,696	443,471	-	-	-	1,245,167	637,130	608,037
Facilities management SBITAs	863,865	-	(282,621)	-	-	581,244	487,494	93,750
Financial SBITAs	7,797,983	-	(1,650,576)	-	-	6,147,407	1,486,629	4,660,778
Total lease and SBITA liabilities	12,712,469	1,850,800	(2,387,678)	-	-	12,175,591	4,203,580	7,972,011
Net pension liability	65,943,440	-	(6,538,017)	-	-	59,405,423	-	59,405,423
Net OPEB liability	92,252,741	16,036,557	(17,500,355)	-	-	90,788,943	2,577,146	88,211,797
Total	\$ 684,252,577	\$ 209,396,356	\$ (53,598,146)	\$ (3,744,160)	\$ 43,321	\$ 836,349,948	\$ 35,092,949	\$ 801,256,999

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2025 and 2024

NOTE 8. LONG-TERM LIABILITIES-continued

For comparison purposes, the following table summarizes changes in long-term liabilities for the year ended August 31, 2024:

	Balance 9/1/2023	Additions	Reductions	Amortization of Premium	Amortization of Discount	Balance 8/31/2024	Current Portion	Non-Current Portion
Bonds:								
General obligation bonds:								
Series 2018	\$ 209,556,723	\$ -	\$ (9,405,000)	\$ (931,437)	\$ 43,321	\$ 199,263,607	\$ 9,875,000	\$ 189,388,607
Series 2020	325,433,259	-	(11,080,000)	(2,430,485)	-	311,922,774	11,740,000	300,182,774
Total bonds	534,989,982		(20,485,000)	(3,361,922)	43,321	511,186,381	21,615,000	489,571,381
Compensated absences	2,285,061	5,421,712	(5,549,227)	-	-	2,157,546	276,391	1,881,155
Lease and SBITA liabilities:								
Leased equipment	2,172,625	-	(437,184)	-	-	1,735,441	454,482	1,280,959
Educational SBITAs	1,701,792	-	(188,308)	-	-	1,513,484	825,032	688,452
IT management SBITAs	730,755	70,941	-	-	-	801,696	376,770	424,926
Facilities management SBITAs	734,419	129,446	-	-	-	863,865	461,112	402,753
Financial SBITAs	9,405,950	-	(1,607,967)	-	-	7,797,983	1,650,578	6,147,405
Total lease and SBITA liabilities	14,745,541	200,387	(2,233,459)	-	-	12,712,469	3,767,974	8,944,495
Net pension liability	57,614,710	13,263,412	(4,934,682)	-	-	65,943,440	-	65,943,440
Net OPEB liability	95,640,043	14,546,246	(17,933,548)	-	-	92,252,741	2,580,438	89,672,303
Total	<u>\$ 705,275,337</u>	<u>\$ 33,431,757</u>	<u>\$ (51,135,916)</u>	<u>\$ (3,361,922)</u>	<u>\$ 43,321</u>	<u>\$ 684,252,577</u>	<u>\$ 28,239,803</u>	<u>\$ 656,012,774</u>

NOTE 9. BONDS PAYABLE

Bonds payable as of August 31, 2025 and 2024 consisted of the following:

Bond Issue	Purpose	Date Issued	Amount Issued and Authorized	Revenue Source	Outstanding Balance	
					August 31, 2025	August 31, 2024
Series 2018 Limited Tax Bonds	Constructing, renovating, improving and equipping buildings and purchasing necessary sites	4/12/2018	\$ 252,308,336	Ad valorem taxes	\$ 188,500,491	\$ 199,263,607
Series 2020 Limited Tax Bonds	Constructing, renovating, improving and equipping buildings and purchasing necessary sites	4/7/2020	\$ 352,084,877	Ad valorem taxes	\$ 297,752,289	\$ 311,922,774
Series 2024 Revenue Bonds	Constructing, renovating, improving and equipping buildings and purchasing necessary sites	11/21/2024	\$ 185,515,261	Pledged Tuition (25%), Investment Income, Auxiliary Enterprise Revenues	\$ 185,133,023	\$ -
				Total	<u>\$ 671,385,803</u>	<u>\$ 511,186,381</u>

Bonds payable are due in annual installments varying from \$13,581,106 to \$23,506,200 with interest rates of 3.00% to 5.00% and the final installments are due in 2045.

On January 23, 2018, the Board approved the sale of Limited Tax Bonds, Series 2018 with the following parameters:

- Maximum principal amount not to exceed \$250 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.25%
- Final maturity on or before August 15, 2038

The sale of the bond issue closed on April 12, 2018 with an average coupon rate of 3.95%. Proceeds from the sale totaling \$252,308,336 included a net premium of \$18,058,336. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in fiscal year 2018 a total of \$2.3 million for bond issuance cost and underwriter's discount in connection with the Series 2018 bond issuance.

NOTE 9. BONDS PAYABLE-continued

On February 25, 2020 the Board approved the sale of Limited Tax Bonds, Series 2020 with the following parameters:

- Maximum principal amount not to exceed \$350 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 4.0%
- Final maturity on or before August 15, 2040

The sale of the bond issue closed on April 7, 2020 with an average coupon rate of 4.11%. Proceeds from the sale totaling \$352,084,877 included a net premium of \$49,419,877. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District paid and expensed as Other non-operating expenses in fiscal year 2020, a total of \$2.1 million for bond issuance cost and underwriter's discount in connection with the Series 2020 bond issuance.

The tax rates authorized and assessed to pay principal and interest on the Series 2018 and Series 2020 bonds are discussed in Note 17.

In August 2024, the Board of Trustees authorized the issuance of Consolidated Fund Revenue Bonds, Series 2024, with the following parameters:

- Maximum principal amount not to exceed \$200 million
- Maximum borrowing cost as measured by the True Interest Cost not to exceed 5.00%
- Final maturity on or before August 15, 2046

The sale of the bond issue closed on October 23, 2024 with an average coupon rate of 4.8%. Proceeds from the sale totaling \$185,515,261 included a net premium of \$10,575,261. The bonds are payable over 20 years, and the net premium is amortized over the life of the bonds using the straight-line method. The District will pay and expense as other non-operating expenses in the fiscal year 2025, a total of approximately \$515,000 for bond issuance costs in connection with the Series 2024 bond issuance.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Basic Financial Statements August 31, 2025 and 2024

NOTE 9. BONDS PAYABLE-continued

Bond Debt Schedules

Debt service requirements as of August 31, 2025 and 2024, were as follows:

August 31,	2025								
	General Obligation Bonds			Revenue Bonds			Total Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	
2026	\$ 22,695,000	\$ 18,258,156	\$ 40,953,156	\$ 5,315,000	\$ 8,270,856	\$ 13,585,856	\$ 28,010,000	\$ 26,529,012	
2027	23,825,000	17,123,406	40,948,406	5,580,000	8,005,106	13,585,106	29,405,000	25,128,512	
2028	25,020,000	15,932,156	40,952,156	5,860,000	7,726,106	13,586,106	30,880,000	23,658,262	
2029	26,275,000	14,681,156	40,956,156	6,150,000	7,433,106	13,583,106	32,425,000	22,114,262	
2030	27,585,000	13,367,406	40,952,406	6,460,000	7,125,606	13,585,606	34,045,000	20,493,012	
2031-35	157,510,000	47,246,006	204,756,006	37,465,000	30,449,031	67,914,031	194,975,000	77,695,037	
2036-40	155,340,000	14,525,525	169,865,525	47,820,000	20,098,031	67,918,031	203,160,000	34,623,556	
2041-45				60,290,000	7,624,781	67,914,781	60,290,000	7,624,781	
	<u>438,250,000</u>	<u>141,133,811</u>	<u>579,383,811</u>	<u>174,940,000</u>	<u>96,732,623</u>	<u>271,672,623</u>	<u>613,190,000</u>	<u>237,866,434</u>	
Net premium/discount	48,002,780	-	48,002,780	10,193,023	-	10,193,023	58,195,803	-	
	<u>\$ 486,252,780</u>	<u>\$ 141,133,811</u>	<u>\$ 627,386,591</u>	<u>\$ 185,133,023</u>	<u>\$ 96,732,623</u>	<u>\$ 281,865,646</u>	<u>\$ 671,385,803</u>	<u>\$ 237,866,434</u>	
2024									
August 31,	General Obligation Bonds			Revenue Bonds			Total Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	
2025	\$ 21,615,000	\$ 19,338,906	\$ 40,953,906	\$ -	\$ -	\$ -	\$ 21,615,000	\$ 19,338,906	
2026	22,695,000	18,258,156	40,953,156	-	-	-	22,695,000	18,258,156	
2027	23,825,000	17,123,406	40,948,406	-	-	-	23,825,000	17,123,406	
2028	25,020,000	15,932,156	40,952,156	-	-	-	25,020,000	15,932,156	
2029	26,275,000	14,681,156	40,956,156	-	-	-	26,275,000	14,681,156	
2030-34	150,930,000	53,822,544	204,752,544	-	-	-	150,930,000	53,822,544	
2035-39	166,685,000	20,631,794	187,316,794	-	-	-	166,685,000	20,631,794	
2040	22,820,000	684,600	23,504,600	-	-	-	22,820,000	684,600	
	<u>459,865,000</u>	<u>160,472,718</u>	<u>620,337,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>459,865,000</u>	<u>160,472,718</u>	
Net premium/discount	51,321,381	-	51,321,381	-	-	-	51,321,381	-	
	<u>\$ 511,186,381</u>	<u>\$ 160,472,718</u>	<u>\$ 671,659,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,186,381</u>	<u>\$ 160,472,718</u>	

NOTE 10. EMPLOYEES' RETIREMENT PLAN

Defined Benefit Plan

Plan Description

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

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

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued**Pension Plan Fiduciary Net Position**

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report, including financial statements and required supplementary information. That report may be obtained online at [TRS Annual Comprehensive Financial Report](#) or write to TRS at 1000 Red River Street, Austin, TX 78701-2698.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for grandfathered members; the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on the date of employment or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes, including automatic cost of living adjustments ("COLAS"). Ad hoc post-employment benefit changes, including ad hoc COLAS, can be granted by the Texas Legislature, as noted in the Plan description above.

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Contributions

Contribution requirements are established or amended pursuant to Article 16, Section 67 of the Texas Constitution, which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued**Contributions (continued)**

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 through 2025.

	September 1, 2024 to August 31, 2025	September 1, 2023 to August 31, 2024
Member	8.25%	8.25%
Non-employer contributing entity (State)	8.25%	8.25%
Employer (District)	8.25%	8.25%
Member contributions	\$ 10,905,804	\$ 9,959,780
District contributions	\$ 5,987,310	\$ 5,523,399
State of Texas on-behalf contributions	\$ 4,398,486	\$ 3,910,823

The District's contributions to the TRS pension plan for the years ended August 31, 2025 and 2024 were \$5,987,310 and \$5,523,399, respectively, as reported in the Schedule of District Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for the years ended August 31, 2025 and 2024 were \$4,985,905 and \$4,571,812, respectively.

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

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued**Contributions (continued)**

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

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

Actuarial Assumptions

The total pension liability in the August 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	8/31/2023 rolled forward to August 31, 2024
Actuarial cost method	Individual Entry Age Normal
Asset valuation method	Fair Value
Actuarial assumptions:	
Single discount rate	7.00%
Long term expected investment rate of return	7.00%
Municipal bond rate	3.87%
Last year ending August 31 in projection period (100 years)	2123
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95%
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the four-year period ending August 31, 2021 and were adopted in July 2022. The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023. For a full description of these assumptions please see the actuarial valuation report dated November 21, 2023.

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued**Discount Rate**

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the nonemployer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 9.54% of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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

The long-term expected rate of return on pension plan investments is 7.00%. The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2024 are summarized below:

Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.0%	4.4%	1.0%
Non-U.S. Developed	13.0%	4.2%	0.8%
Emerging Markets	9.0%	5.2%	0.7%
Private Equity*	14.0%	6.7%	1.2%
Stable Value			
Government Bonds	16.0%	1.9%	0.4%
Absolute Return*	5.0%	3.0%	0.2%
Stable Value Hedge Funds	-	4.0%	-
Real Return			
Real Assets	15.0%	6.6%	1.2%
Energy, Natural Resources and Infrastructure			
Energy, Natural Resources and Infrastructure	6.0%	5.6%	0.4%
Commodities	-	2.5%	-
Risk Parity	8.0%	4.0%	0.4%
Asset Allocation Leverage			
Cash	2.0%	1.0%	0.0%
Asset Allocation Leverage	-6.0%	1.3%	-0.1%
Inflation Expectation			2.4%
Volatility Drag****			-0.7%
Expected Return	100.0%		7.9%

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on the FY2024 policy model.

*** Capital Market Assumptions (CMA) come from 2024 SAA Study CMA Survey (as of 12/31/2023)

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued****Discount Rate Sensitivity Analysis**

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the net pension liability for the years ended August 31, 2025 and 2024, respectively.

	2025		
	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability	\$ 94,885,512	\$ 59,405,423	\$ 30,007,646
2024			
	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability	\$ 98,589,095	\$ 65,943,440	\$ 38,798,561

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions.**

At August 31, 2025 and 2024, the District reported a liability of \$59,405,423 and \$65,943,440, respectively, for its proportionate share of the TRS's net pension liability. This liability reflects a reduction in State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

	2025	2024
District's proportionate share of the collective net pension liability	\$ 59,405,423	\$ 65,943,440
State's proportionate share that is associated with the District	47,677,201	52,261,355
Total	\$ 107,082,624	\$ 118,204,795

The net pension liability was measured as of August 31, 2023, and rolled forward to August 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued

At the measurement date of August 31, 2024 and 2023, the employer's proportion of the collective net pension liability was 0.0972517379% and 0.0960010242%, respectively, which was a decrease of 0.0012507137% and 0.0010466527%, respectively, from its proportion measured as of August 31, 2023 and 2022.

Changes Since the Prior Actuarial Valuation

The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023. For a full description of these assumptions, please see the actuarial valuation report dated November 21, 2023.

For the year ended August 31, 2025 and 2024, the District recognized pension expense of \$10,759,018 and \$13,787,319, respectively, and an additional on-behalf revenue and expense of \$5,698,222 and \$7,891,012, respectively, for support provided by the State. Refer to the Schedule of On-Behalf Contributions for the years ended August 31, 2024 and 2023 posted on the TRS website under GASB Statements 67 & 68.

At August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,274,346	\$ 463,809
Changes in actuarial assumptions	3,067,226	411,210
Net differences between projected and actual investment earnings	361,105	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	4,687,597	308,548
Contributions paid to TRS subsequent to the measurement date	5,987,310	-
Total	<u>\$ 17,377,584</u>	<u>\$ 1,183,567</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued****Changes Since the Prior Actuarial Valuation (continued)**

At August 31, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 2,349,587	\$ 798,503
Changes in actuarial assumptions	6,236,959	1,526,326
Net differences between projected and actual investment earnings	9,596,372	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,557,782	392,609
Contributions paid to TRS subsequent to the measurement date	5,523,399	-
Total	\$ 30,264,099	\$ 2,717,438

Contributions made subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions for the years ended August 31, 2025 and 2024, respectively, will be recognized in pension expense as follows:

2025		2024	
Year Ending August 31:	Pension Expense Amount	Year Ending August 31:	Pension Expense Amount
2026	\$ 2,342,579	2025	\$ 5,631,514
2027	7,846,731	2026	3,972,605
2028	1,207,830	2027	9,398,694
2029	(1,465,108)	2028	2,832,928
2030	274,675	2029	187,521
Thereafter	-	Thereafter	-
	\$ 10,206,707		\$ 22,023,262

NOTE 10. EMPLOYEES' RETIREMENT PLAN-continued**Optional Retirement Plan-Defined Contribution Plan****Plan Description**

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

Funding Policy

Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. The percentages of participant salaries currently contributed by the state and each participant are 6.60% and 6.65%, respectively. The District contributes 1.75% for employees who were participating in the optional retirement. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the State has no additional or unfunded liability for this program. For eligible employees in the reporting district, Senate Bill (S.B.) 1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013 limits the amount of the State's contribution to 50%.

The retirement expense to the state for the District for ORP was \$691,725 and \$672,084 for the years ended August 31, 2025 and 2024, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the District.

The total payroll for all college employees was \$177,609,851 and \$165,377,693 for the years end August 31, 2025 and 2024, respectively. The total payroll of employees covered by the TRS was \$132,191,564 and \$120,724,606, and the total payroll of employees covered by the Optional Retirement Program was \$20,961,358 and \$20,366,185 for years end August 31, 2025 and 2024, respectively.

Other

Part-time employees of the District are required to participate in the Program for Extra Retirement Compensation (the PERC plan) unless exempt. The PERC plan, as established by the District under the provisions of the Omnibus Budget Reconciliation Act of 1990, requires participants to contribute 7.5% of their pay to a tax-sheltered annuity administered by Metropolitan Life Insurance Company. Contributions to the PERC plan are immediately 100% vested. The District makes no contributions to the PERC plan. Total payroll of participants in the PERC plan was \$17,870,671 and \$18,828,257 for the years ended August 31, 2025 and 2024, respectively.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 11. DEFERRED COMPENSATION PROGRAM****Optional Retirement Plan-Defined Contribution Plan (continued)**

Employees of the District may elect to defer a portion of their earnings for income tax and investment purposes pursuant to the authority granted under Government Code 609.001.

	2025	2024
Deferred Compensation Programs:		
403(b) Tax Sheltered Annuity (TSA)		
Number of participants	1,120	1,116
Employee contributions	\$ 6,739,043	\$ 6,036,054
Employer contributions	\$ 3,219,625	\$ 2,851,680
Section 457 Deferred Compensation (DCP)		
Number of participants	45	55
Employee contributions	\$ 535,481	\$ 539,023
Section 457 Roth Deferred Compensation (DCP)		
Number of participants	37	31
Employee contributions	\$ 390,583	\$ 322,940

The District established the *Collin Invests Enhanced Retirement Savings Plan (The Plan)* and began offering benefits of The Plan beginning September 2019. The Plan allows for full-time benefits-eligible employees to participate in a College District-sponsored supplemental tax - sheltered retirement plan that includes a dollar-for-dollar match of an employee's contributions to an individual tax-sheltered retirement account (up to a maximum of 4% of the employee's full-time salary). Employer contributions are subject to budget availability. For the years ended August 31, 2025 and 2024, employer expenses for the 403(b) District matching TSA recorded were \$3,219,625 and \$2,851,680, respectively. As of August 31, 2025 and 2024, 182 of 1,120 participants and 195 of 1,116 participants, respectively, were not vested at year end. The vesting period is three years.

The District does not contribute to the Section 457 DCP. The DCP is not included in the basic financial statements because the programs' assets are assets of the plan participants and not of the District.

NOTE 12. COMPENSATED ABSENCES

The District recognizes a liability for compensated absences for leave earned and not yet used by employees. The liability is recognized if all of the following criteria are met: (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) it is more likely than not (MLTN) (i.e., greater than 50%) that the leave will be used or settled in cash or other means.

Leave types included in the liability calculation are vacation and sick leave. Vacation is earned in varying amounts up to a maximum of 21 days for employees with 11 years or more of service. Unused vacation leave carried forward from one year to the next is limited to 15 days for each employee. Upon termination or death, employees are paid for earned but unused vacation for the current year and up to the 10-day maximum allowed for unused vacation carried over from the prior year. Sick leave is earned at a rate of one day per month. Unused sick leave can be carried forward but is limited to 90 days; at which point, sick leave will cease to accrue. Unused sick leave balances are not paid out upon separation or death. Although no payment is made upon termination, the District estimates a portion of the accrued sick leave will be used as time off in the future, based on historical usage patterns. The District uses a Last-In, First-Out (LIFO) method when calculating the liability for compensated absences expected to be used as leave. Historical data over the past three years indicate that employees have earned more leave than they have used. As a result, no portion of that leave is projected to be used as time off (i.e., the MLTN percentage for time off is zero). Consequently, the liability is determined solely by the amounts payable upon retirement or separation, as constrained by established policy limits.

The compensated absences liability is measured using the pay rate in effect as of the reporting date, plus salary-related payments (such as the employer's share of payroll taxes) that are directly and incrementally associated with the leave. The District recognized the accrued liability for the unpaid annual leave types in the amounts of \$2,594,188 and \$2,157,546 for the years ended August 31, 2025 and 2024, respectively.

Because of the adoption of GASB Statement No. 101, *Compensated Absences*, the District has restated beginning net position for the earliest period presented to reflect the cumulative effect of this change in accounting principle.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 13. HEALTHCARE AND LIFE INSURANCE BENEFITS**

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing these benefits by expending the annual insurance premiums. SB 1812, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district. The employee and the state/employer contributions per full time employee per month are noted below.

HealthSelect of Texas Plan	2025/2024	
	Employee Contribution	State/Employer Contribution
Member only	\$ -	\$ 624.82
Member & spouse	358.00	982.82
Member & child(ren)	239.70	864.52
Member & family	597.70	1,222.52

These on-behalf payments are recognized as revenues and expenses by the District in the period expended.

In addition to the pension benefits described in Note 10, the State provides certain healthcare and life insurance benefits for active retired employees. Almost all of the employees may be eligible for those benefits if they reach normal retirement age with at least ten years of TRS/ORP eligible service credit while working for the State. See Note 14 for additional information on retiree benefits. The cost of retirees and active employees' health care is provided in the table below:

State/Employer Contribution for Health Care Insurance
(includes basic life insurance rate)

Cost of Providing Health Care Insurance	2025	2024
Number of retirees	381	368
Cost of health benefits for retirees	\$ 3,325,575	\$ 3,172,340
Number of active full time employees	1,593	1,539
Cost of health benefits for active full time employees	\$ 13,959,630	\$ 13,643,766
State appropriation for health insurance	\$ 7,369,002	\$ 7,369,002
District's expense	\$ 9,916,203	\$ 9,528,812

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**Plan Description**

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

OPEB Plan Fiduciary Net Position

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained online; by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided

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

Contributions

Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued****Contributions (continued)**

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

Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2024
(Measurement Year)

Retiree only	\$ 624.82
Retiree & spouse	\$ 1,340.82
Retiree & children	\$ 1,104.22
Retiree & family	\$ 1,820.22

Contributions of premiums to the GBP plan by source for the years ended August 31, 2025 and 2024 are summarized in the following table.

Premium Contributions by Source
Group Benefits Program Plan
For the Years Ended August 31, 2025 and 2024

	2025	2024
Employers	\$ 9,916,203	\$ 9,447,105
Members (employees)	\$ 4,771,570	\$ 4,610,557
Nonemployer contributing entity (State of Texas)	\$ 7,369,002	\$ 7,369,002

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of August 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions
ERS Group Benefits Program Plan

Valuation date	August 31, 2024
Actuarial cost method	Entry Age
Last experience study	State Agency Members: 5-year period ending August 31, 2023 Higher Education Members: 7-year period ending August 31, 2021
Discount rate	3.87%
Projected annual salary increase	2.30% to 8.95%, including inflation
Annual healthcare trend rate	<i>Health Select:</i> 5.60% for FY26, 5.60% for FY27, 5.25% for FY28, 5.00% for FY29, 4.75% for FY30, 4.50% for FY31 decreasing 10 basis points per year to an ultimate rate of 4.30% for FY33 and later years. <i>Health Select Medicare Advantage:</i> 36.00% for FY26, 8.00% for FY27, 5.25% for FY28, 5.00% for FY29, 4.75% for FY30, 4.50% for FY2031 decreasing 10 basis points per year to an ultimate rate of 4.30% for FY33 and later years. <i>Pharmacy:</i> 11.50% for FY26, 11.00% for FY27, 10.00% for FY28, 8.50% for FY29, 7.00% for FY30 decreasing 100 basis points per year to 5.00% for FY33 and 4.30% for FY33 and later years.
Inflation assumption rate	2.30%
Ad hoc post-employment benefit changes	None

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

Actuarial Assumptions - Continued
ERS Group Benefits Program Plan

Mortality rate

State Agency Members

- a. Service Retirees, Survivors, and other inactive Members (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 1 year set forward for male CPO/CO members. Generational mortality improvements in accordance with the Ultimate MP-2021 Projection Scale are projected from the year 2020.
- b. Service Retirees, Survivors and other Inactive Members (JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table with a 2 year setback. Generational mortality improvements in accordance with the Ultimate MP-2020 Projection Scale are projected from the year 2020.
- c. Disability Retirees (Regular, Elected, CPO/CO and JRS I and II Employee Classes): 2020 State Retirees of Texas Mortality table set forward three years for males and females. Generational mortality improvements in accordance with the Ultimate MP-2021 Projection Scale are projected from the year 2020. Minimum rates of 3.0% and 2.5% apply at all ages for males and females, respectively.
- d. Active Members: Pub-2010 General Employees Active Member Mortality table for non-CPO/CO members. Pub-2010 Public Safety Active Member Mortality table for CPO/CO members. Generational mortality improvements in accordance with the Ultimate MP-2021 Projection Scale are projected from the year 2010.

Higher Education Members

- a. Service Retirees, Survivors and other Inactive Members: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021.
- b. Disability Retirees: Tables based on TRS experience with Ultimate MP-2021 Projection Scale from the year 2021 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members.
- c. Active Members: Sex Distinct Pub-2010 Amount Weighted Below-Median Income Teacher Mortality with a 2-year set forward for males with Ultimate MP-2021 Projection Scale from the year 2010.

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued**Investment Policy**

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The system's board of trustees amended the investment policy statement in August 2022 to require that all funds in the plan be invested in cash and equivalent securities.

Discount Rate

Because the GBP does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the *beginning* of the measurement year was 3.81%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.87%, which amounted to an increase of 0.06%. The source of the municipal bond rate was the Bond Buyer Index of tax-exempt general obligation bonds with 20 years to maturity with an average credit quality that is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

Discount Rate Sensitivity Analysis

The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.87% and 3.81% for 2025 and 2024, respectively) in measuring the net OPEB Liability.

	2025		
	1% Decrease in Discount Rate (2.87%)	Discount Rate (3.87%)	1% Increase in Discount Rate (4.87%)
District's proportionate share of the net OPEB liability	\$ 105,633,459	\$ 90,788,943	\$ 78,876,054
<hr/>			
	2024		
	1% Decrease in Discount Rate (2.81%)	Discount Rate (3.81%)	1% Increase in Discount Rate (4.81%)
District's proportionate share of the net OPEB liability	\$ 107,046,054	\$ 92,252,741	\$ 80,354,102

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued****Healthcare Trend Rate Sensitivity Analysis**

The initial healthcare trend rate is 5.60% and the ultimate rate is 4.30%. The following schedule shows the impact on the District's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1% less than and 1% greater than the healthcare cost trend rate that was used (5.60% decreasing to 4.30% for both 2024 and 2023) in measuring the net OPEB Liability.

	2025		
	Current	Healthcare Cost	
	1% Decrease	Trend Rates	1% Increase
District's proportionate share of the net OPEB liability	(HealthSelect: 4.60% decreasing to 3.30%)	(HealthSelect: 5.60% decreasing to 4.30%)	(HealthSelect: 6.60% decreasing to 5.30%)
	\$ 77,901,479	\$ 90,788,943	\$ 107,216,986
	2024		
	Current	Healthcare Cost	
	1% Decrease	Trend Rates	1% Increase
District's proportionate share of the net OPEB liability	(HealthSelect: 4.60% decreasing to 3.30%)	(HealthSelect: 5.60% decreasing to 4.30%)	(HealthSelect: 6.60% decreasing to 5.30%)
	\$ 79,350,180	\$ 92,252,741	\$ 108,639,060

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the years ended August 31, 2025 and 2024, the District reported a liability of \$90,788,943 and \$92,252,741, respectively for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction in State support provided to the District for OPEB. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

	2025	2024
District's proportionate share of the collective net OPEB liability	\$ 90,788,943	\$ 92,252,741
State's proportionate share of the collective net OPEB liability	70,813,446	54,777,448
Total	\$ 161,602,389	\$ 147,030,189

The net OPEB liability was measured as of August 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

At the measurement date of August 31, 2024 and 2023, the employer's proportion of the collective net OPEB liability was 0.30980077% and 0.34528919%, respectively.

For the years ended August 31, 2025 and 2024, the District recognized OPEB expense of \$4,487,969 and \$10,652,050, respectively, and a reduction in on-behalf revenue and expense of \$9,329 and \$1,620,380, respectively, for support provided by the State.

Changes Since the Prior Actuarial Valuation – Changes to the actuarial assumptions or other inputs that affected the measurement of the total OPEB liability since the prior measurement period were as follows:

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

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

- Demographic assumptions, including the mortality projection scale for all State Agency members; base mortality for Judges; assumed rates of retirement for certain members who are Regular Class, Elected Class or Certified Peace Officers/Custodial Officers (CPO/CO); assumed rates of termination for certain members who are Regular Class, Judges or Certified Peace Officers/Custodial Officers (CPO/CO); and assumed rates of disability for all State Agency members.
- The expenses directly related to the payment of GBP health benefits for (a) HealthSelect medical services and (b) prescription drug benefits under HealthSelect and HealthSelect Medicare Advantage have been updated since the previous valuation to reflect recent new administrative services contracts.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effect on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act and the rate of future increases in the fee has been updated to reflect recent available information.
- The discount rate was changed from 3.81% to 3.87% as a result of requirements by GASB No. 74 to reflect the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date – The following benefit revisions have been adopted since the prior valuation:

- Minor benefit revisions have been adopted since the prior valuation. These changes, which are not expected to have a significant impact on plan costs for FY2025, are provided for in the FY2025 Assumed Per Capita Health Benefit Costs.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued**

For the year ended August 31, 2025, the District reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,497,911
Changes of assumptions	4,970,651	18,085,844
Net difference between projected and actual investment return	-	3,470
Effect of change in proportion and contribution difference	9,510,362	11,365,864
Contributions subsequent to the measurement date	1,324,216	-
Total	\$ 15,805,229	\$ 30,953,089

At August 31, 2024, the District reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 2,440,134
Changes of assumptions	3,077,451	28,811,760
Net difference between projected and actual investment return	7,453	-
Effect of change in proportion and contribution difference	16,520,532	-
Contributions subsequent to the measurement date	1,120,886	-
Total	\$ 20,726,322	\$ 31,251,894

Contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements
August 31, 2025 and 2024****NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)-continued**

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB for the years ended August 31, 2025 and 2024, respectively, will be recognized in OPEB expense as follows:

2025		2024	
Year ended August 31:	OPEB Expense Amount	Year ended August 31:	OPEB Expense Amount
2026	\$ (3,016,743)	2025	\$ (866,265)
2027	(4,703,862)	2026	(2,090,011)
2028	(5,512,708)	2027	(3,708,906)
2029	(2,314,522)	2028	(4,295,605)
2030	(924,241)	2029	(685,671)
Thereafter	-	Thereafter	-
	<u>\$ (16,472,076)</u>		<u>\$ (11,646,458)</u>

NOTE 15. DISAGGREGATION OF RECEIVABLES AND PAYABLES BALANCES

Accounts receivable as of August 31, 2025 and 2024, respectively, consisted of the following:

	2025	2024
Student receivables	\$ 22,817,858	\$ 15,934,600
Federal and state receivables	3,002,389	3,959,909
Interest receivable	3,269,511	1,982,972
Other receivables	1,241,964	48,573
	<u>30,331,722</u>	<u>21,926,054</u>
Less: allowance for doubtful accounts	(760,548)	(295,471)
Accounts receivable, net	<u>\$ 29,571,174</u>	<u>\$ 21,630,583</u>
Taxes receivable	\$ 2,348,628	\$ 2,156,845
Less: allowance for doubtful accounts	(1,787,064)	(1,460,075)
Taxes receivable, net	<u>\$ 561,564</u>	<u>\$ 696,770</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 15. DISAGGREGATION OF RECEIVABLES AND PAYABLES
BALANCES-continued**

An allowance for doubtful accounts estimated at \$760,548 and \$295,471 for the years ended August 31, 2025 and 2024, respectively, has been established for student receivables based on the uncertainty of collectability. A corresponding bad debt expense has been recorded to institutional support. In fiscal year 2025, a 100% allowance was established for student receivables aged more than one year, which was adjusted from 2024 whereas a 100% allowance was established for student receivables aged two or more years, and a seventy-five percent allowance was set up for student receivables more than one year but less than two years old. In August 2012, the District contracted with two collection agencies to provide collection services for outstanding student receivables. See the Student Receivables Placed with Collection Agencies Table below for additional information on student receivables.

Student Receivables Placed with Collection Agencies	Balance at 8/31/2024	Addition	Collections	Adjustments	Returned to District	Balance at 8/31/2025
First placement collection agency	\$ 217,832	\$ 460,574	\$ (26,408)	\$ 2,992	\$ (204,843)	\$ 450,147
Second placement collection agency	174,062	322,472	(11,996)	13,809	(169,493)	328,854
Total student receivables placed with collections	<u>391,894</u>	<u>783,046</u>	<u>(38,404)</u>	<u>16,801</u>	<u>(374,336)</u>	<u>779,001</u>
Allowance for doubtful accounts	(295,471)	(463,775)	(2,225)	811	112	(760,548)
Receivables placed with collections, net	<u>\$ 96,423</u>	<u>\$ 319,271</u>	<u>\$ (40,629)</u>	<u>\$ 17,612</u>	<u>\$ (374,224)</u>	<u>\$ 18,453</u>

Accounts payable as of August 31, 2025 and 2024, respectively, consisted of the following:

	2025	2024
Vendors payable	\$ 27,575,717	\$ 10,938,677
Salary and benefits payable	1,708,449	1,395,952
Students payable	3,070,813	1,363,861
Total accounts payable	<u>\$ 32,354,979</u>	<u>\$ 13,698,490</u>

NOTE 16. RISK MANAGEMENT

GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires that a liability be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Accrued liabilities include provisions for claims reported and claims incurred but not reported.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 16. RISK MANAGEMENT-continued**

The District pays a premium for fixed cost and the loss fund maximum to Deep East Texas, a guaranteed cost program within a workers' compensation self-insurance fund. Fixed costs are primarily affected by payroll; the loss costs, however, are determined by expected losses, which are determined primarily by historical loss experience. The fixed costs cover claims administration and loss control and are not recoverable by the District. Loss costs are only paid if the District experiences losses.

The District has other insurance coverage such as property, general liability, cyber, and automobile insurance. There were no significant reductions in coverage in the past fiscal year.

NOTE 17. PROPERTY TAX AND TAX ABATEMENT

The District's ad-valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Property taxes attach an automatic enforceable lien on property the first day of January. The lien is removed if taxes are paid by February 1.

Exemptions include \$100,000 for over age 65 and \$100,000 for disabled persons in addition to Homestead and Veteran exemptions. If a person who is disabled or is sixty-five (65) years of age or older receives a residence homestead exemption, the total amount of ad-valorem taxes imposed by the District may not be increased while it remains the residence homestead of that person or that person's spouse who is disabled or sixty-five (65) years of age or older and receives the residence homestead exemption on the homestead. This tax limitation cannot be repealed or rescinded.

As of August 31:

	<u>2025</u>	<u>2024</u>
Assessed valuation	\$ 288,944,402,608	\$ 260,819,324,059
Less: exemptions	(62,649,180,297)	(58,502,851,339)
Less: abatements	(170,471,722)	(215,215,121)
Net assessed valuation	<u>\$ 226,124,750,589</u>	<u>\$ 202,101,257,599</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 17. PROPERTY TAX AND TAX ABATEMENT-continued**

Tax rates for the years ended August 31, 2025 and 2024, were as follows:

Per \$100 Valuation:	2025/2024		
	Operations	Debt Service	Total
Authorized tax rate (maximum per enabling legislation)	\$ 0.080000	\$ 0.120000	\$ 0.200000
Assessed tax rate	\$ 0.075000	\$ 0.006220	\$ 0.081220

Taxes levied for the years ended August 31, 2025 and 2024, were \$181,813,811 and \$162,710,182, respectively, including any penalty and interest assessed. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which they were imposed.

	2025			2024		
	Operations	Debt Service	Total	Operations	Debt Service	Total
Current taxes collected	\$ 164,368,788	\$ 13,631,647	\$ 178,000,435	\$ 148,403,231	\$ 12,313,417	\$ 160,716,648
Delinquent taxes collected	(369,600)	(30,653)	(400,253)	662,400	56,544	718,944
Penalties and interest collected	1,150,668	76,727	1,227,395	454,302	22,919	477,221
Total gross collections	<u>165,149,856</u>	<u>13,677,721</u>	<u>178,827,577</u>	<u>149,519,933</u>	<u>12,392,880</u>	<u>161,912,813</u>
Tax appraisal and collection fee	(1,780,111)	-	(1,780,111)	(1,622,687)	-	(1,622,687)
Bad debt expense	(124,803)	(10,404)	(135,207)	(13,529)	102,034	88,505
Total net collections	<u>\$ 163,244,942</u>	<u>\$ 13,667,317</u>	<u>\$ 176,912,259</u>	<u>\$ 147,883,717</u>	<u>\$ 12,494,914</u>	<u>\$ 160,378,631</u>

Tax collections for the year ended August 31, 2025 and 2024, were 98.58% and 99.07%, respectively, of the current tax levy. Allowances for uncollectible taxes are based on historical experience in collecting property taxes. The use of tax proceeds is restricted for the use of maintenance and/or general obligation debt service.

The District participates in a Tax Increment Reinvestment Zone (TIRZ). The following table summarizes the obligations of the District's involvement in the TIRZ:

TIRZ Title	Percentage of Incremental Tax Committed	Taxes Forgone in	
		2025	2024
City of Frisco TIRZ 1	100%	\$ 1,858,734	\$ 1,767,806

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 17. PROPERTY TAX AND TAX ABATEMENT-continued****Tax Abatement**

The District entered into a property tax abatement agreement with one entity as provided by Tax Code Chapter 312 Property Redevelopment and Tax Abatement Act. For fiscal year ending August 31, 2025, the District abated property taxes as noted in the table below.

Start Date	Agreement	Taxable Assessed Value	Tax Rate Per \$100 valuation	Taxes Abated
2015	Texas Instruments	\$ 170,471,722	0.08122	\$ 138,457

NOTE 18. CONTRACT AND GRANT AWARDS

Contract and grant awards are accounted for in accordance with generally accepted accounting principles ("GAAP"). Grant funds are considered to be earned when all eligibility requirements have been met and to the extent of expenses made under the provisions of the grant. Accordingly, when such funds are received in advance, they are recorded as unearned revenue until earned. Revenues recognized are presented on Exhibit 2 and Schedules A and C. Funds expended for federal and non-federal contract and grant awards, but not collected, are reported within accounts receivable on Exhibit 1 and in Note 15. Contract and grant awards that are not yet funded and for which the District has not yet performed services are not included in the basic financial statements.

Contract and grant award commitments, e.g., multi-year awards, or funds awarded for which no expenses have yet been incurred are noted in the table below.

	2025	2024
Federal contracts and grant awards	\$ 6,123,501	\$ 6,568,922
State contracts and grant awards	2,066,839	2,623,876
Contracts and grant awards	<u>\$ 8,190,340</u>	<u>\$ 9,192,798</u>

NOTE 19. COMPONENT UNITS

Complete financial statements of **Collin County Community College District Foundation, Inc.** can be obtained from the Foundation's administrative offices.

Related Party Disclosure Required by the U.S. Department of Education (Unaudited)

To comply with the Financial Responsibility, Administrative Capability, Certification Procedures, Ability to Benefit regulation promulgated by the U.S Department of Education, the Foundation's Board of Directors reports there were no related party transactions during the years ended August 31, 2025 and 2024, respectively.

The following footnotes are excerpted from the Foundation's audited financial statements for the years ended August 31, 2025 and 2024.

Organization and Nature of Activities

Collin County Community College District Foundation, Inc., also commonly known as Collin College Foundation (the "Foundation"), is a Texas nonprofit corporation established to maintain, develop, increase, and extend the facilities and services of the Collin College District (the "District") and to provide broader educational service opportunities to its students, staff, and faculty. The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) as other than a private foundation.

Significant Accounting Policies

Basis of Accounting - The Foundation's financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when the obligation is incurred. The financial statements have been prepared using accounting principles generally accepted in the United States of America ("U.S. GAAP").

Adoption of New Accounting Standard - In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments – Credit Losses (Topic 326), which replaced the existing incurred loss methodology used for establishing a provision against financial assets, including accounts receivable, with a forward-looking expected loss methodology for financial assets measured at amortized cost. Financial assets held by the Foundation that are subject to this guidance are accounts receivable and pledges receivable. ASU 2016-13 is to be applied using a cumulative-effect adjustment for all financial assets measured at amortized costs and became effective for the Foundation on September 1, 2023. The adoption of the standard had no material impact on the Foundation's financial statements as of September 1, 2023.

NOTE 19. COMPONENT UNITS-continued

Basis of Presentation - Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions - Net assets are available for use in general operations and are not subject to donor restrictions.

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

Revenues and Support - Revenues and support for the Foundation are primarily derived through contributions, grants, and fundraising activities.

Programs - The Foundation pursues its objectives through the execution of the following programs:

Scholarships - Student scholarships represent the largest fundraising priority for the Foundation. Thanks to the generosity of individual, corporate, foundation, and alumni donors, the Foundation is able to offer scholarships to outstanding students with financial need.

Scholarship reception - The Foundation hosts two scholarship receptions per year: a large event celebrating fall scholarships and a smaller event honoring spring recipients. At these receptions, donors meet the students who receive their scholarships and learn first-hand how their gifts are making a difference.

Program enhancements - The Foundation also assists in securing support for strategic academic and technical programs for the District. To name just a few, past projects have included support for veteran center programming, career center initiatives, fire science equipment, IT lab equipment, health science camps, cybersecurity camps and more.

Cash and Cash Equivalents - The Foundation considers all bank deposits and highly liquid financial instruments with original maturities of three months or less to be cash and cash equivalents. Portfolio cash held by investment managers is excluded from cash and cash equivalents.

Accounts Receivables - For various reasons, some scholarship awards are not utilized by the award recipient, so the Collin College District refunds unused scholarships to the Foundation on an annual basis. Accounts receivable primarily consist of unused scholarship awards for the respective academic years concluded in the Summers of 2025 and 2024.

NOTE 19. COMPONENT UNITS-continued

Pledges Receivable - Pledges receivable comprise uncollected pledges and are considered fully collectible as of August 31, 2025 and 2024.

Allowance for Credit Losses - Accounts receivable and pledges receivable are presented on the statements of financial position net of an allowance for credit losses. The allowance for credit losses is calculated over the life of the underlying receivable and is based on historical experience of losses based on the aging of receivables, any known trends or uncertainties related to account collectability, current economic conditions, and reasonable and supportable economic forecasts. The allowance for credit losses is applied to segregated risk pools based on the business segment that generated the receivable. Balances are charged against the allowance when it is determined the receivable will not be recovered. Based on management's analysis, there was no allowance for credit losses as of August 31, 2025 and 2024.

Investments - Investments in marketable securities and mutual funds are carried at their fair values in the statements of financial position. Other investments with no readily determinable fair values are carried at cost or contract value. Net realized and unrealized gains and losses are included in the changes in net assets.

Donated Assets - Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation. It is the policy of the Foundation to liquidate such donations immediately upon receipt, or as soon thereafter as possible; however, some may be utilized by the Foundation when it would be more practical or beneficial.

Donated Services and Facilities - Individuals volunteer their time and perform various tasks that help the Foundation pursue its objectives. The value of these donated services is not reflected in the financial statements.

The District allows the Foundation to use designated office space, personnel, and equipment at no cost. The value of these in-kind contributions is included in revenues and expenses on the accompanying statements of activities.

Use of Estimates - Management used estimates and assumptions in preparing these financial statements in accordance with U.S. GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

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

Income Taxes - The Foundation follows the Income Taxes topic of the FASB ASC, which prescribes a comprehensive model for the financial statement recognition, measurement, presentation, and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. The Foundation is unaware of any activities that would jeopardize its tax-exempt status and is unaware of any activities that are subject to tax on unrelated business income. As of August 31, 2025, the Foundation has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements and does not expect this to change in the next twelve months. The 2022 through 2025 tax years remain subject to examination by the Internal Revenue Service.

Endowment Funds - The Foundation maintains endowment funds for the purpose of providing scholarships to students of the District. The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair values of the original donor-restricted gifts to the endowment funds, as of the gift dates, absent explicit donor stipulations to the contrary.

The Foundation has adopted an investment policy that seeks to make a reasonable effort to preserve capital and produce long-term results sufficient to meet the Foundation's objectives. Under this policy, endowment assets are primarily invested in marketable securities and exchange-traded mutual funds.

The majority of the Foundation's scholarship endowment agreements include a spending policy that allows for 80% of the earnings to be made available for scholarships, 10% of the earnings to be returned to the corpus of the endowment funds, and 10% of the earnings to be distributed to the operating fund for administrative purposes; however, the Foundation Board may increase the percentage allocation to scholarships at its discretion.

Subsequent Events - Management has evaluated subsequent events for potential disclosure through November 17, 2025, which is the date the financial statements were available to be issued.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 19. COMPONENT UNITS-continued****Liquidity and Availability of Resources**

Financial assets available for general expenditure, that is, without donor restrictions limiting their use or without requiring specific action of the Board, within one year of the dates of the respective statements of financial position, are comprised of the following:

	2025	2024
Cash and cash equivalents	\$ 2,208,301	\$ 1,848,877
Accounts receivable	2,407	161,752
Pledges receivable, net of discount	746,682	839,526
Investments	<u>24,776,280</u>	<u>22,167,067</u>
	<u>27,733,670</u>	<u>25,017,222</u>
Less: donor-restricted assets	<u>(25,457,974)</u>	<u>(23,146,696)</u>
Financial assets available to meet general Expenditure needs within one year	<u>\$ 2,275,696</u>	<u>\$ 1,870,526</u>

Pledges Receivable

Pledges are recognized as revenues in the period that they are made. Pledges due in one year or more have been discounted to present value using an 7.50% discount rate (Prime Rate as of August 31, 2025).

Pledges receivable as of August 31, 2025 and 2024 are summarized as follows:

	2025	2024
Pledges receivable within one year	\$ 508,225	\$ 733,763
Pledges due in one year to five year	271,767	122,978
Less: discount to present value	<u>(33,310)</u>	<u>(17,215)</u>
Pledges receivable, net of discount	<u>\$ 746,682</u>	<u>\$ 839,526</u>

Fair Value Measurements and Disclosures

The Foundation follows the Fair Value Measurements topic of the FASB ASC for all financial assets and liabilities measured at fair value on a recurring basis. The topic establishes a framework for measuring fair value and enhances disclosure requirements for fair value measurements. The Fair Value Measurements topic of the FASB ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The topic establishes market or observable inputs as the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs.

The topic establishes a hierarchy for grouping these assets and liabilities based on the significance level of the following inputs:

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 19. COMPONENT UNITS-continued**

Level I – Quoted prices in active markets for identical assets or liabilities.

Level II – Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose inputs are observable or whose significant drivers are observable.

Level III – Significant inputs to the valuation model are unobservable.

The following is a listing of investments measured at fair value on a recurring basis and where they are classified within the hierarchy as of August 31, 2025 and 2024:

	2025			
	Level I	Level II	Level III	Total
Investments at fair value:				
Equity securities and funds	\$ 19,080,266	\$ -	\$ -	\$ 19,080,266
Fixed income funds	4,916,915	-	-	4,916,915
	\$ 23,997,181	\$ -	\$ -	\$ 23,997,181
Other investments:				
Portfolio cash and accrued income, at cost				750,644
Alternative investments, at contract value				28,455
Total investments				\$ 24,776,280
	2024			
	Level I	Level II	Level III	Total
Investments at fair value:				
Equity securities and funds	\$ 16,844,574	\$ -	\$ -	\$ 16,844,574
Fixed income funds	4,214,096	-	-	4,214,096
	\$ 21,058,670	\$ -	\$ -	\$ 21,058,670
Other investments:				
Portfolio cash and accrued income, at cost				1,080,846
Alternative investments, at contract value				27,551
Total investments				\$ 22,167,067

All of the Foundation's investments measured at fair value are classified within Level I of the hierarchy because they comprise marketable equity securities, institutional equity and fixed income mutual funds, as well as exchange-traded funds traded on internationally recognized securities exchanges with immediately available market values or with readily determinable fair values based upon daily redemption valuations.

Those investments not defined in the fair value hierarchy comprise portfolio cash and accrued income, which are carried at cost, and investments carried at contract value, which are published annually each June.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 19. COMPONENT UNITS-continued****Net Assets With Donor Restrictions**

The balances of net assets with donor restrictions as of August 31, 2025 and 2024 relate to certain contributions for which donors have imposed restrictions. In accordance with Foundation policies, they are set forth as follows:

	<u>2025</u>	<u>2024</u>
Subject to purpose restrictions:		
Excellence program	\$ 1,013,070	\$ 965,953
Non-endowed scholarships	<u>2,739,807</u>	<u>2,564,300</u>
	<u>3,752,877</u>	<u>3,530,253</u>
Endowments:		
Available for scholarship awards:		
Appropriated	2,232,518	1,829,727
Unappropriated	4,912,122	3,687,298
Subject to spending policy	<u>14,560,457</u>	<u>14,099,418</u>
	<u>21,705,097</u>	<u>19,616,443</u>
Total	<u>\$ 25,457,974</u>	<u>\$ 23,146,696</u>

The Excellence program supports strategic academic and technical programs, as well as special achievement awards and scholarships. Non-endowed scholarships are those sourced by contributions that are not subject to the Foundation's spending policy – instead, they are wholly expendable based upon discretionary policies.

Endowments subject to the Foundation's spending policy include fully funded endowments as well as those that a) have not reached the minimum level required to award scholarships and/or do not yet have a signed endowment agreement and b) those that are controlled by the District's Board of Trustees.

Endowment earnings are considered unappropriated until they are made available for distribution as scholarship awards.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 19. COMPONENT UNITS-continued**

During the years ended August 31, 2025 and 2024, net assets were released from donor restrictions as follows:

	2025	2024
Purpose restrictions accomplished:		
Excellence program awards	\$ 297,195	\$ 311,510
Non-endowed scholarship awards	<u>624,525</u>	<u>622,310</u>
	921,720	933,820
Endowed scholarship awards	<u>245,419</u>	<u>249,548</u>
 Total	 <u>\$ 1,167,139</u>	 <u>\$ 1,183,368</u>

The following is a summary of endowment activities for the years ended August 31, 2025 and 2024:

	Available for Scholarship Awards			Subject to Spending Policy	Total
	Appropriated	Unappropriated			
Balance at August 31, 2023	\$ 1,803,315	\$ 1,376,945	\$ 13,388,834	\$ 16,569,094	
Contributions	-	-	644,459	644,459	
Net investment return	275,960	2,310,353	66,125	2,652,438	
Scholarship awards	<u>(249,548)</u>	-	-	<u>(249,548)</u>	
Balance at August 31, 2024	<u>\$ 1,829,727</u>	<u>\$ 3,687,298</u>	<u>\$ 14,099,418</u>	<u>\$ 19,616,443</u>	
Contributions	-	-	400,587	400,587	
Net investment return	648,210	1,224,824	60,452	1,933,486	
Scholarship awards	<u>(245,419)</u>	-	-	<u>(245,419)</u>	
Balance at August 31, 2025	<u>\$ 2,232,518</u>	<u>\$ 4,912,122</u>	<u>\$ 14,560,457</u>	<u>\$ 21,705,097</u>	

Concentrations of Risk

The Foundation maintains cash and money market accounts at financial institutions that exceed federally insured limits. Uninsured amounts totaled \$1,958,301 and \$1,598,877 as of August 31, 2025 and 2024, respectively. The Foundation has not experienced any losses in these accounts, and management believes the Foundation is not exposed to any significant credit risks on such accounts.

Additionally, investments in equity securities, fixed-income securities, and mutual funds are subject to substantial market, credit, and interest-rate risks.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Basic Financial Statements**
August 31, 2025 and 2024**NOTE 19. COMPONENT UNITS-continued****In-kind Contributions**

For the years ended August 31, 2025 and 2024, in-kind contributions reported in the accompanying statements of activities are detailed as follows:

	<u>2025</u>	<u>2024</u>
Without donor contributions:		
College District		
Personnel	\$ 454,482	\$ 529,227
Facilities	118,453	151,023
Other		
Sponsorship	16,809	-
Total	<u>\$ 589,744</u>	<u>\$ 680,250</u>

NOTE 20. SUBSEQUENT EVENTS

In March 1997, the District agreed to participate in the Frisco Tax Increment Reinvestment Zone Number One (TIRZ No. 1) with the City of Frisco, Texas and the Board of Directors of TIRZ No. 1. The term of the District's participation was 40 years with an end date of January 1, 2038. The original agreement was amended in 2005 and, as a result, the District received annual funding for the IT Center located on the Frisco Campus. In recent years, the District has been reevaluating its continued participation in TIRZ No. 1, considering the District's best interests as new Master and Strategic Plan priorities are developed and evaluated. Accordingly, through discussions between the City of Frisco, the Chair of the TIRZ Board, and the District, an agreed pathway for the District to exit TIRZ No. 1 has been identified and negotiated. As part of that negotiated exit pathway, the District's participation ended on November 28, 2025, with a one-time lump sum payment of \$21,000,000 to TIRZ No. 1. This payment is expected to generate future savings.

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Required Supplemental Information



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Required Supplementary Information Schedules

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of the District's Proportionate Share of Net Pension Liability**

Fiscal years ended August 31,*	2025	2024	2023	2022	2021
District's proportion of collective net pension liability (%)	0.09725174%	0.09600102%	0.09704768%	0.09212887%	0.07922998%
District's proportionate share of collective net pension liability (\$)	\$ 59,405,423	\$ 65,943,440	\$ 57,614,710	\$ 23,461,964	\$ 42,433,966
State's proportionate share of net pension liability associated with the District	<u>47,677,201</u>	<u>52,261,355</u>	<u>45,856,638</u>	<u>18,604,389</u>	<u>33,725,103</u>
Total	<u><u>\$ 107,082,624</u></u>	<u><u>\$ 118,204,795</u></u>	<u><u>\$ 103,471,348</u></u>	<u><u>\$ 42,066,353</u></u>	<u><u>\$ 76,159,069</u></u>
 District's covered payroll	 \$ 120,724,606	 \$ 111,422,788	 \$ 105,120,853	 \$ 94,008,898	 \$ 78,435,332
District's proportionate share of collective net pension liability as a percentage of covered payroll	49.2%	59.2%	54.8%	25.0%	54.1%
Plan fiduciary net position as percentage of the total pension liability	77.51%	73.15%	75.62%	88.79%	75.54%
 Fiscal years ended August 31,*	2020	2019	2018	2017	2016
District's proportion of collective net pension liability (%)	0.07049603%	0.06395799%	0.06156220%	0.05619231%	0.06148740%
District's proportionate share of collective net pension liability (\$)	\$ 36,646,040	\$ 35,204,032	\$ 19,684,288	\$ 21,234,239	\$ 21,734,977
State's proportionate share of net pension liability associated with the District	<u>29,191,219</u>	<u>28,372,524</u>	<u>15,746,369</u>	<u>19,980,257</u>	<u>15,657,455</u>
Total	<u><u>\$ 65,837,259</u></u>	<u><u>\$ 63,576,556</u></u>	<u><u>\$ 35,430,657</u></u>	<u><u>\$ 41,214,496</u></u>	<u><u>\$ 37,392,432</u></u>
 District's covered payroll	 \$ 67,685,206	 \$ 57,589,464	 \$ 53,246,493	 \$ 50,608,925	 \$ 41,402,433
District's proportionate share of collective net pension liability as a percentage of covered payroll	54.1%	61.1%	37.0%	42.0%	52.5%
Plan fiduciary net position as percentage of the total pension liability	75.24%	73.74%	82.17%	78.00%	78.43%

* The amounts presented above are as of the measurement date of the collective net pension liability.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of the District's Contribution for Pensions**

Fiscal years ended August 31,*	2025	2024	2023	2022	2021
Legally required contributions	\$ 5,987,310	\$ 5,523,399	\$ 4,905,086	\$ 4,516,523	\$ 3,928,024
Actual contributions	<u>5,987,310</u>	<u>5,523,399</u>	<u>4,905,086</u>	<u>4,516,523</u>	<u>3,928,024</u>
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll amount	\$ 132,191,564	\$ 120,724,606	\$ 111,422,788	\$ 105,120,853	\$ 94,008,898
Contributions as a percentage of covered payroll	4.5%	4.6%	4.4%	4.3%	4.2%

Fiscal years ended August 31,*	2020	2019	2018	2017	2016
Legally required contributions	\$ 3,278,320	\$ 2,453,559	\$ 2,171,617	\$ 1,988,654	\$ 1,896,229
Actual contributions	<u>3,278,320</u>	<u>2,453,559</u>	<u>2,171,617</u>	<u>2,010,704</u>	<u>1,803,918</u>
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ (22,050)	\$ 92,311
District's covered payroll amount	\$ 78,435,332	\$ 67,685,206	\$ 57,589,464	\$ 53,246,493	\$ 50,608,925
Contributions as a percentage of covered payroll	4.2%	3.6%	3.8%	3.8%	3.6%

* The amounts presented above are as of the District's fiscal year-end.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of the District's Proportionate Share of Net OPEB Liability******Last Eight Fiscal Years**

Fiscal years ended August 31,*	2025	2024	2023	2022
District's proportion of collective net OPEB liability (%)	0.30980077%	0.34528919%	0.33573265%	0.32530579%
District's proportionate share of collective net OPEB liability (\$)	\$ 90,788,941	\$ 92,252,741	\$ 95,640,043	\$ 116,705,100
State's proportionate share of net OPEB liability associated with the District	<u>70,813,446</u>	<u>54,777,448</u>	<u>59,070,679</u>	<u>67,173,446</u>
	<u><u>\$ 161,602,387</u></u>	<u><u>\$ 147,030,189</u></u>	<u><u>\$ 154,710,722</u></u>	<u><u>\$ 183,878,546</u></u>
District's covered payroll	\$ 141,090,791	\$ 131,955,217	\$ 126,764,877	\$ 115,001,448
District's proportionate share of collective net OPEB liability as a percentage of covered payroll	64.3%	69.9%	75.4%	101.5%
Plan fiduciary net position as percentage of the total OPEB	0.47%	0.63%	0.57%	0.38%

Fiscal years ended August 31,*	2021	2020	2019	2018
District's proportion of collective net OPEB liability (%)	0.26268022%	0.23851539%	0.22103739%	0.09191797%
District's proportionate share of collective net OPEB liability (\$)	\$ 86,801,710	\$ 82,437,298	\$ 65,510,490	\$ 31,319,220
State's proportionate share of net OPEB liability associated with the District	<u>61,859,090</u>	<u>62,938,382</u>	<u>53,074,547</u>	<u>28,185,772</u>
	<u><u>\$ 148,660,800</u></u>	<u><u>\$ 145,375,680</u></u>	<u><u>\$ 118,585,037</u></u>	<u><u>\$ 59,504,992</u></u>
District's covered payroll	\$ 98,096,908	\$ 86,588,184	\$ 76,655,205	\$ 71,436,733
District's proportionate share of collective net OPEB liability as a percentage of covered payroll	88.5%	95.2%	85.5%	43.8%
Plan fiduciary net position as percentage of the total OPEB	0.32%	0.17%	1.27%	2.04%

* The amounts presented above are as of the measurement date of the collective net OPEB liability.

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of the District's Contributions for OPEB**
****Last Eight Fiscal Years**

Fiscal years ended August 31,*	2025	2024	2023	2022
Legally required contributions	\$ 1,324,216	\$ 1,120,886	\$ 1,065,736	\$ 885,055
Less: actual contributions	<u>1,324,216</u>	<u>1,120,886</u>	<u>1,065,736</u>	<u>885,055</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 District covered payroll amount	 \$ 153,152,922	 \$ 141,090,791	 \$ 131,955,217	 \$ 126,764,877
Ratio of: actual contributions / ER covered payroll amount	0.9%	0.8%	0.8%	0.7%

Fiscal years ended August 31,*	2021	2020	2019	2018
Legally required contributions	\$ 921,585	\$ 815,700	\$ 400,846	\$ 967,914
Less: actual contributions	<u>921,585</u>	<u>815,700</u>	<u>400,846</u>	<u>967,914</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 District covered payroll amount	 \$ 115,001,448	 \$ 98,096,908	 \$ 86,588,184	 \$ 76,655,205
Ratio of: actual contributions / ER covered payroll amount	0.8%	0.8%	0.5%	1.3%

* The amounts presented above are as of the District's fiscal year-end.

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Notes to Required Supplementary Information August 31, 2025 and 2024

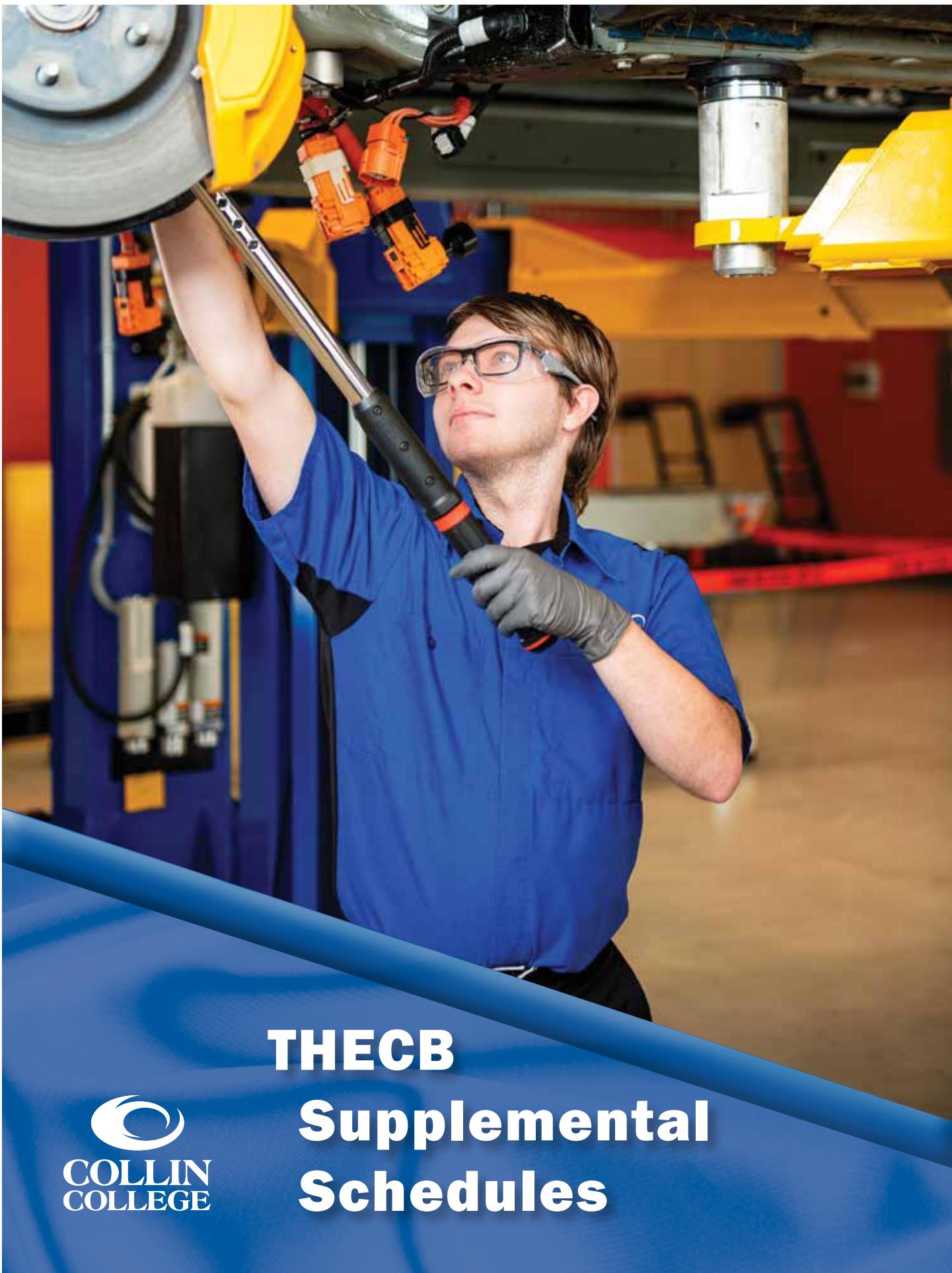
Changes since Prior Actuarial Valuation for Pensions:

The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

Changes of Assumptions for OPEB:

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

- Percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence.
- Proportion of future retirees assumed to be married and electing coverage for their spouse.
- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.
- Demographic assumptions, including the mortality projection scale for all State Agency members; base mortality for Judges; assumed rates of retirement for certain members who are Regular Class, Elected Class or Certified Peace Officers/Custodial Officers (CPO/CO); assumed rates of termination for certain members who are Regular Class, Judges or Certified Peace Officers/Custodial Officers (CPO/CO); and assumed rates of disability for all State Agency members.
- The expenses directly related to the payment of GBP health benefits for (a) HealthSelect medical services and (b) prescription drug benefits under HealthSelect and HealthSelect Medicare Advantage have been updated since the previous valuation to reflect recent new administrative services contracts.
- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effect on our short-term expectations.
- The Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act and the rate of future increases in the fee has been updated to reflect recent available information.
- The discount rate was changed from 3.81% to 3.87% as a result of requirements by GASB No. 74 to reflect the yield or index rate for 20-year, tax-exempt general obligation bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.



THECB
Supplemental
Schedules

THECB Supplemental Schedules



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Texas Higher Education Coordinating Board (THECB)
Supplemental Schedules**

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Operating Revenues
For the Year ended August 31, 2025
(with comparative totals at August 31, 2024)**

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	Total	
					2025	2024
Tuition						
State funded courses:						
In-district resident tuition	\$ 39,393,267	\$ -	\$ 39,393,267	\$ -	\$ 39,393,267	\$ 30,354,505
Out-of-district resident tuition	22,028,696	-	22,028,696	-	22,028,696	21,421,230
TPEG Credit (set aside)*	2,682,399	-	2,682,399	-	2,682,399	2,203,813
Non-resident tuition	10,763,131	-	10,763,131	-	10,763,131	11,631,846
Continuing education	2,182,694	-	2,182,694	-	2,182,694	2,515,679
TPEG Non-Credit (set aside)*	169,915	-	169,915	-	169,915	195,796
Non-state funded continuing education	373,609	-	373,609	-	373,609	173,939
Total tuition	77,593,711	-	77,593,711	-	77,593,711	68,496,808
Fees						
General fees	1,471,449	-	1,471,449	-	1,471,449	1,087,104
Student activity fee	1,557,869	-	1,557,869	-	1,557,869	1,500,468
Laboratory fee	759,396	-	759,396	-	759,396	719,565
Total fees	3,788,714	-	3,788,714	-	3,788,714	3,307,137
Scholarship allowances and discounts						
Remissions and exemptions	(6,654,200)	-	(6,654,200)	-	(6,654,200)	(5,959,175)
TPEG awarded	(2,803,833)	-	(2,803,833)	-	(2,803,833)	(1,889,707)
Federal grants to students	(16,801,804)	-	(16,801,804)	-	(16,801,804)	(15,627,273)
Other	(1,730,415)	-	(1,730,415)	-	(1,730,415)	(1,821,070)
Total scholarship allowances	(27,990,252)	-	(27,990,252)	-	(27,990,252)	(25,297,225)
Total net tuition and fees	53,392,173	-	53,392,173	-	53,392,173	46,506,720
Additional operating revenues						
Federal grants and contracts	171,092	4,878,333	5,049,425	-	5,049,425	3,654,392
State grants and contracts	-	1,289,607	1,289,607	-	1,289,607	1,347,193
Nongovernmental grants and contracts	-	125,813	125,813	-	125,813	136,861
Sales and services of educational activities	815,688	-	815,688	-	815,688	762,341
Other operating revenues	582,750	-	582,750	-	582,750	604,162
Total additional operating revenues	1,569,530	6,293,753	7,863,283	-	7,863,283	6,504,949
Auxiliary enterprises	-	-	-	5,460,376	5,460,376	4,764,534
Total operating revenues	\$ 54,961,703	\$ 6,293,753	\$ 61,255,456	\$ 5,460,376	\$ 66,715,832	\$ 57,776,203
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, \$2,852,314 and \$2,399,609 was set aside for Texas Public Education Grants (TPEG) in 2025 and 2024, respectively.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Operating Expenses by Object
For the Year ended August 31, 2025
(with comparative totals at August 31, 2024)

	Operating Expenses					Total	
	Salaries and Wages	Benefits			Other Expenses	2025	2024
		State	Local	Other Expenses			
Unrestricted - educational activities:							
Instruction	\$ 101,629,032	\$ -	\$ 13,811,599	\$ 5,178,908	\$ 120,619,539	\$ 117,336,295	
Public service	124,265	-	18,940	37,054	180,259	162,094	
Academic support	23,901,884	-	4,514,615	4,288,881	32,705,380	32,494,434	
Student services	16,255,293	-	3,247,593	2,261,593	21,764,479	22,582,835	
Institutional support	25,308,797	-	8,133,281	14,634,555	48,076,633	46,236,558	
Operation and maintenance of plant	6,022,592	-	1,312,972	20,445,682	27,781,246	26,346,933	
Total unrestricted educational activities	173,241,863	-	31,039,000	46,846,673	251,127,536	245,159,149	
Restricted - educational activities:							
Instruction	659,272	6,378,268	117,068	1,597,343	8,751,951	7,930,036	
Public service	265,672	21,612	59,464	10,339	357,087	453,061	
Academic support	199,230	2,051,646	39,981	22,273	2,313,130	3,447,580	
Student services	746,904	1,335,112	48,478	85,138	2,215,632	2,129,421	
Institutional support	127,607	3,962,982	20,112	237,084	4,347,785	4,099,675	
Scholarships	-	-	-	32,246,187	32,246,187	23,949,038	
Total restricted educational activities	1,998,685	13,749,620	285,103	34,198,364	50,231,772	42,008,811	
Total educational activities	175,240,548	13,749,620	31,324,103	81,045,037	301,359,308	287,167,960	
Auxiliary enterprises	2,352,028	-	472,152	3,836,757	6,660,937	5,841,265	
Depreciation expense:							
Buildings and other improvements	-	-	-	15,980,033	15,980,033	15,927,834	
Equipment and furniture	-	-	-	14,230,951	14,230,951	13,897,233	
Total depreciation expense	-	-	-	30,210,984	30,210,984	29,825,067	
Total operating expenses	\$ 177,592,576	\$ 13,749,620	\$ 31,796,255	\$ 115,092,778	\$ 338,231,229	\$ 322,834,292	
					(Exhibit 2)	(Exhibit 2)	

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Schedule of Non-Operating Revenues and Expenses
For the Year ended August 31, 2025
(with comparative totals at August 31, 2024)

	Unrestricted	Restricted	Auxiliary enterprises	Totals	
				2025	2024
Non-operating revenues:					
State appropriations:					
Education and general state support	\$ 62,347,953	\$ -	\$ -	\$ 62,347,953	\$ 51,586,037
State group insurance	-	7,369,002	-	7,369,002	7,369,002
State retirement matching	-	6,389,947	-	6,389,947	8,563,096
OPEB revenue / (expenses)	-	(9,329)	-	(9,329)	(1,620,380)
Total state appropriations	<u>62,347,953</u>	<u>13,749,620</u>	<u>-</u>	<u>76,097,573</u>	<u>65,897,755</u>
Ad-valorem taxes	161,386,208	13,667,317	-	175,053,525	158,610,825
Federal contracts and grants	114,089	44,202,915	-	44,317,004	35,823,290
State contracts and grants	-	4,037,662	-	4,037,662	3,548,220
Gifts	70,636	-	-	70,636	63,600
Investment income (net of investment expenses)	17,321,797	8,810,510	-	26,132,307	22,341,506
Other non-operating revenues	245,440	-	-	245,440	245,440
Total non-operating revenues	<u>241,486,123</u>	<u>84,468,024</u>	<u>-</u>	<u>325,954,147</u>	<u>286,530,636</u>
Non-operating expenses:					
Interest on capital related debt	(531,878)	(22,002,950)	-	(22,534,828)	(17,541,826)
Other non-operating expenses	(700)	(508,389)	-	(509,089)	(64,104)
Total non-operating expenses	<u>(532,578)</u>	<u>(22,511,339)</u>	<u>-</u>	<u>(23,043,917)</u>	<u>(17,605,930)</u>
Net non-operating revenues	<u>\$ 240,953,545</u>	<u>\$ 61,956,685</u>	<u>\$ -</u>	<u>\$ 302,910,230</u>	<u>\$ 268,924,706</u>
				(Exhibit 2)	(Exhibit 2)

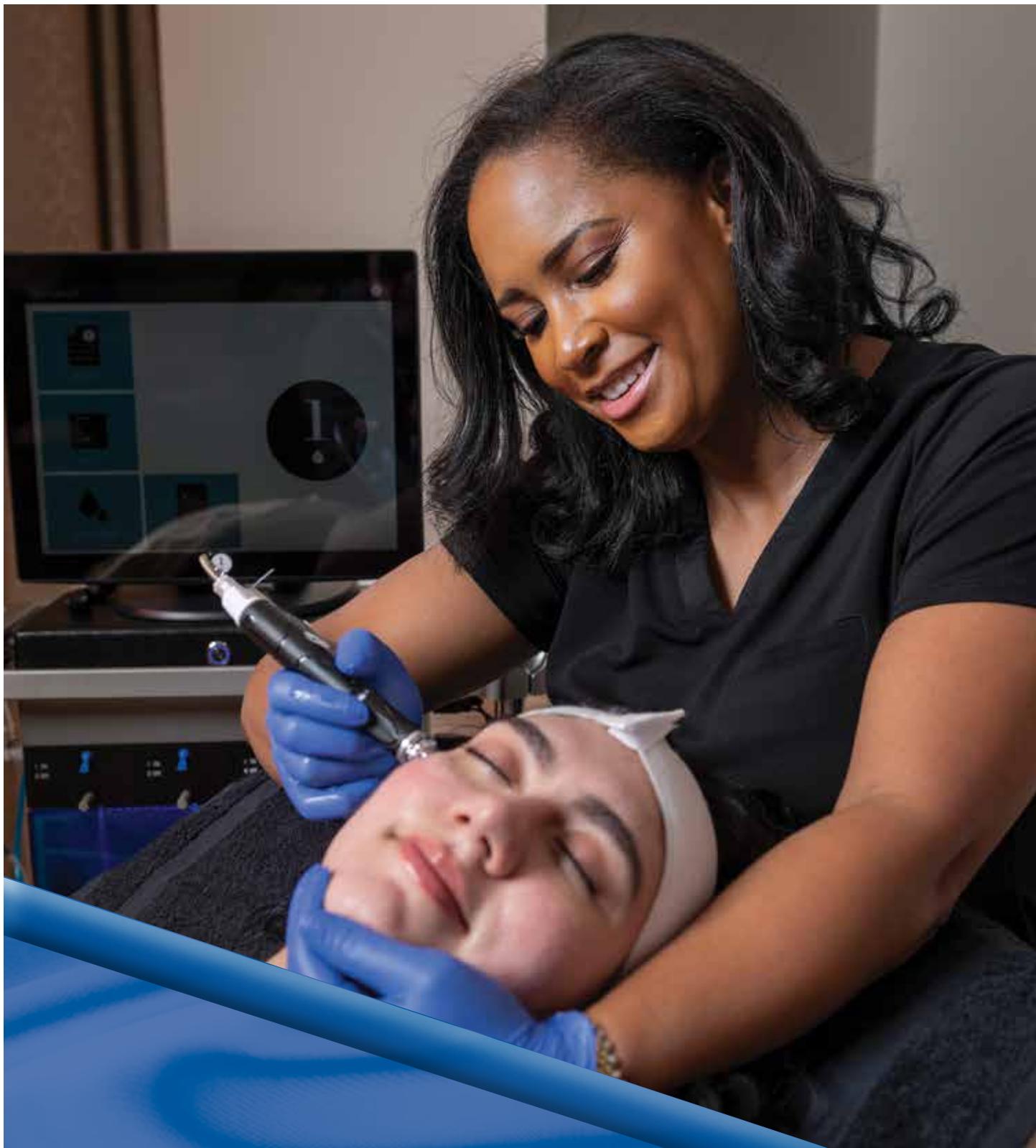
COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Schedule of Net Position by Source and Availability
For the Year ended August 31, 2025
(with comparative totals at August 31, 2024)**

	Detail by Source						Available for Current Operations		
	Restricted			Capital Assets Net of Depreciation & Related Debt			Total	Yes	No
	Unrestricted	Expendable	Non-Expendable						
Current:									
Unrestricted:									
Undesignated	\$ (82,261,080)	\$ -	\$ -	\$ -	\$ -	\$ (82,261,080)	\$ (82,261,080)	\$ -	\$ -
Board designated:									
Stabilization of maintenance and operations	24,750,000	-	-	-	-	24,750,000	-	24,750,000	
Insurance deductibles	100,000	-	-	-	-	100,000	-	100,000	
Restricted:									
Student aid/non-governmental grants and contracts	-	2,749,491	-	-	-	2,749,491	-	2,749,491	
Auxiliary enterprises	1,492,692	-	-	-	-	1,492,692	1,492,692	-	-
Startup and stabilization	89,855,165	-	-	-	-	89,855,165	89,855,165	-	-
Plant:									
Unexpended	143,826,491	-	-	-	-	143,826,491	-	143,826,491	
Bond capital projects	-	25,254,793	-	-	-	25,254,793	-	25,254,793	
Debt service	-	26,095,096	-	-	-	26,095,096	-	26,095,096	
Net investment in capital assets	-	-	-	-	342,283,087	342,283,087	-	342,283,087	
Total net position - August 31, 2025	177,763,268	54,099,380	-	342,283,087	574,145,735 (Exhibit 2)	9,086,777	565,058,958		
Total net position - August 31, 2024, as originally presented	186,073,806	26,440,214	-	330,156,004	542,670,024	31,979,432	510,690,592		
Cumulative effect of change in accounting principle	80,878	-	-	-	80,878	80,878	-	80,878	
Total net position - August 31, 2024, as restated	186,154,684	26,440,214	-	330,156,004	542,750,902 (Exhibit 2)	32,060,310	510,690,592		
Net increase (decrease) in net position	\$ (8,391,416)	\$ 27,659,166	\$ -	\$ 12,127,083	\$ 31,394,833 (Exhibit 2)	\$ (22,973,533)	\$ 54,368,366		

Note: For the year ended August 31, 2024, Board policy required that the District maintain a minimum fund balance equal to 25% of educational expenses adjusted for reserves and allocations. For the year ended August 31, 2025, the Board approved a new Board policy requiring that the District maintain a minimum fund balance equal to 15% of the total current year unrestricted fund budgeted expenses. For the years ended August 31, 2025 and 2024, the minimum required unrestricted fund balance was \$54,991,023 and \$11,190,585, respectively. This amount is included as part of the undesignated balance.

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Statistical

Statistical

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Statistical Section

These statistical tables provide selected financial and demographic information. The statistical tables are for informational purposes only and are not audited.

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Statistical Section

(unaudited)

Tables in the statistical section present detailed information as a context for understanding what the information contained in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the District.

Financial Trends- Statistical Supplements 1-3

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

Revenue Capacity- Statistical Supplements 4-8

These supplements contain information to help the reader assess the District's significant revenue sources.

Debt Capacity- Statistical Supplements 9-11

These supplements present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt as needed in the future.

Demographic and Economic Information- Statistical Supplements 12-13

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

Operating Information- Statistical Supplements 14-18

These supplements contain employment, enrollment and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Net Position by Component
Fiscal Years 2016 to 2025
(unaudited)

	For the Fiscal Year Ended August 31,				
	(a) Restated		(b) Restated		(c) Restated
	2025	2024	2023	2022	2021
Net Investment in Capital Assets	\$ 342,283,087	\$ 330,156,004	\$ 317,041,513	\$ 296,652,425	\$ 287,636,997
Restricted - Expendable	54,099,380	26,440,214	20,305,932	14,537,546	20,951,426
Unrestricted	177,763,268	186,154,684	201,455,962	228,012,064	252,896,349
Total Net Position	<u>\$ 574,145,735</u>	<u>\$ 542,750,902</u>	<u>\$ 538,803,407</u>	<u>\$ 539,202,035</u>	<u>\$ 561,484,772</u>
Total Change in Net Position	<u>\$ 31,394,833</u>	<u>\$ 3,947,495</u>	<u>\$ (398,628)</u>	<u>\$ (22,282,737)</u>	<u>\$ (11,461,005)</u>

	For the Fiscal Year Ended August 31,				
	(d) Restated				
	2020	2019	2018	2017	2016
Net Investment in Capital Assets	\$ 278,203,505	\$ 264,285,928	\$ 262,417,005	\$ 300,132,133	\$ 271,788,069
Restricted - Expendable	13,127,520	15,454,451	1,299,745	2,480,187	1,630,910
Unrestricted	281,614,752	277,150,841	255,065,611	217,860,753	212,396,648
Total Net Position	<u>\$ 572,945,777</u>	<u>\$ 556,891,220</u>	<u>\$ 518,782,361</u>	<u>\$ 520,473,073</u>	<u>\$ 485,815,627</u>
Total Change in Net Position	<u>\$ 16,054,557</u>	<u>\$ 38,108,859</u>	<u>\$ (1,690,712)</u>	<u>\$ 34,657,446</u>	<u>\$ 21,734,281</u>

Notes:

(a) For fiscal year 2025, the financial statements for fiscal year 2024 have been retroactively restated per the adoption of GASB 101.

Increase in net position per Exhibit 2	\$ 3,866,617
Cumulative effect of change in accounting principle	80,878
Total Change in Net Position	<u>\$ 3,947,495</u>

(b) For fiscal year 2023, the financial statements for fiscal year 2022 have been retroactively restated to reflect changes in accounting of SBITAs per the adoption of GASB 96.

Decrease in net position per Exhibit 2	\$ (22,565,557)
Cumulative effect of change in accounting principle	282,820
Total Change in Net Position	<u>\$ (22,282,737)</u>

(c) For fiscal year 2022, the financial statements for fiscal year 2021 have been retroactively restated to reflect changes in lease reporting per the adoption of GASB 87.

Decrease in net position per Exhibit 2	\$ (11,451,194)
Cumulative effect of change in accounting principle	(9,811)
Total Change in Net Position	<u>\$ (11,461,005)</u>

(d) The financial statements were restated in fiscal year 2018 to reflect changes in other post-employment benefits reporting per the adoption of GASB 75.

Increase in net position per Exhibit 2	\$ 34,867,985
Cumulative effect of change in accounting principle	(36,558,697)
Total Change in Net Position	<u>\$ (1,690,712)</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Revenues by Source
Fiscal Years 2016 to 2025
(unaudited)

	For the Fiscal Year Ended August 31,				
	2025	2024	2023	2022	2021
Tuition and Fees (Net of Discounts)	\$ 53,392,173	\$ 46,506,720	\$ 45,623,058	\$ 41,569,307	\$ 39,263,227
Governmental Grants and Contracts					
Federal Grants and Contracts	5,049,425	3,654,392	22,155,146	15,511,436	13,952,721
State Grants and Contracts	1,289,607	1,347,193	1,387,418	2,042,960	2,396,768
Local Grants and Contracts					
Non-Governmental Grants and Contracts	125,813	136,861	40,548	148,457	134,939
Sales and Services of Educational Activities	815,688	762,341	768,718	711,199	602,201
Auxiliary Enterprises	5,460,376	4,764,534	4,630,279	3,901,832	2,956,851
Other Operating Revenues	582,750	604,162	467,892	632,198	241,892
Total Operating Revenues	66,715,832	57,776,203	75,073,059	64,517,389	59,548,599
State Appropriations	76,097,573	65,897,755	53,648,625	50,730,109	49,492,556
Ad-Valorem Taxes	175,053,525	158,610,825	154,182,140	132,471,746	124,226,128
Federal Grants and Contracts	44,317,004	35,823,290	30,566,088	45,828,359	33,107,077
State Grants and Contracts	4,037,662	3,548,220	1,307,369	-	-
Gifts	70,636	63,600	134,600	111,150	172,388
Investment Income (Net)	26,132,307	22,341,506	16,855,639	11,078	708,958
Other Non-Operating Revenues	245,440	245,440	259,623	245,440	251,333
Total Non-Operating Revenues	325,954,147	286,530,636	256,954,084	229,397,882	207,958,440
Total Revenues	\$ 392,669,979	\$ 344,306,839	\$ 332,027,143	\$ 293,915,271	\$ 267,507,039

	For the Fiscal Year Ended August 31,				
	2025	2024	2023	2022	2021
Tuition and Fees (Net of Discounts)	13.60%	13.51%	13.74%	14.14%	14.68%
Governmental Grants and Contracts					
Federal Grants and Contracts	1.29%	1.06%	6.67%	5.28%	5.22%
State Grants and Contracts	0.33%	0.39%	0.42%	0.70%	0.90%
Local Grants and Contracts	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Governmental Grants and Contracts	0.03%	0.04%	0.01%	0.05%	0.05%
Sales and Services of Educational Activities	0.21%	0.22%	0.23%	0.24%	0.23%
Auxiliary Enterprises	1.39%	1.38%	1.39%	1.33%	1.11%
Other Operating Revenues	0.15%	0.18%	0.14%	0.22%	0.09%
Total Operating Revenues	17.00%	16.78%	22.60%	21.96%	22.28%
State Appropriations	19.38%	19.14%	16.16%	17.26%	18.50%
Ad-Valorem Taxes	44.56%	46.07%	46.44%	45.07%	46.42%
Federal Grants and Contracts	11.29%	10.40%	9.21%	15.59%	12.38%
State Grants and Contracts	1.03%	1.03%	0.39%	0.00%	0.00%
Gifts	0.02%	0.02%	0.04%	0.04%	0.06%
Investment Income (Net)	6.66%	6.49%	5.08%	0.00%	0.27%
Other Non-Operating Revenues	0.06%	0.07%	0.08%	0.08%	0.09%
Total Non-Operating Revenues	83.00%	83.22%	77.40%	78.04%	77.72%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Revenues by Source
Fiscal Years 2016 to 2025
(unaudited)

	For the Fiscal Year Ended August 31,				
	2020	2019	2018	2017	2016
Tuition and Fees (Net of Discounts)	\$ 39,230,781	\$ 40,182,049	\$ 35,922,095	\$ 34,777,289	\$ 30,671,124
Governmental Grants and Contracts					
Federal Grants and Contracts	4,831,908	2,171,735	1,864,618	1,650,574	2,192,596
State Grants and Contracts	1,992,483	1,609,536	2,836,838	2,477,397	1,637,637
Local Grants and Contracts					
Non-Governmental Grants and Contracts	179,103	150,053	237,701	276,616	74,452
Sales and Services of Educational Activities	505,344	919,031	995,562	744,120	681,057
Auxiliary Enterprises	2,039,803	2,376,831	1,970,718	1,740,221	5,036,125
Other Operating Revenues	317,769	1,089,590	365,138	469,662	356,464
Total Operating Revenues	49,097,191	48,498,825	44,192,670	42,135,879	40,649,455
State Appropriations	50,782,813	44,026,968	44,006,835	40,859,962	40,667,403
Ad-Valorem Taxes	118,378,106	110,489,653	98,490,012	89,111,771	80,461,197
Federal Grants and Contracts	30,649,045	23,865,674	23,330,718	19,783,712	20,046,602
State Grants and Contracts					
Gifts	6,112,500	6,209,422	30,070	3,620,000	1,650
Investment Income	5,440,542	12,134,040	6,375,739	2,183,790	803,614
Other Non-Operating Revenues	245,440	250,233	200,000	199,250	198,500
Total Non-Operating Revenues	211,608,446	196,975,990	172,433,374	155,758,485	142,178,966
Total Revenues	\$ 260,705,637	\$ 245,474,815	\$ 216,626,044	\$ 197,894,364	\$ 182,828,421

	For the Fiscal Year Ended August 31,				
	2020	2019	2018	2017	2016
Tuition and Fees (Net of Discounts)	15.05%	16.37%	16.58%	17.58%	16.78%
Governmental Grants and Contracts					
Federal Grants and Contracts	1.85%	0.88%	0.86%	0.83%	1.20%
State Grants and Contracts	0.76%	0.66%	1.31%	1.25%	0.90%
Local Grants and Contracts	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Governmental Grants and Contracts	0.07%	0.06%	0.11%	0.14%	0.04%
Sales and Services of Educational Activities	0.19%	0.37%	0.46%	0.38%	0.37%
Auxiliary Enterprises	0.78%	0.97%	0.91%	0.88%	2.75%
Other Operating Revenues	0.12%	0.44%	0.17%	0.24%	0.19%
Total Operating Revenues	18.82%	19.75%	20.40%	21.30%	22.23%
State Appropriations	19.48%	17.94%	20.31%	20.65%	22.24%
Ad-Valorem Taxes	45.42%	45.02%	45.48%	45.02%	44.02%
Federal Grants and Contracts	11.76%	9.72%	10.77%	10.00%	10.96%
State Grants and Contracts	0.00%	0.00%	0.00%	0.00%	0.00%
Gifts	2.34%	2.53%	0.01%	1.83%	0.00%
Investment Income	2.09%	4.94%	2.94%	1.10%	0.44%
Other Non-Operating Revenues	0.09%	0.10%	0.09%	0.10%	0.11%
Total Non-Operating Revenues	81.18%	80.25%	79.60%	78.70%	77.77%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Program Expenses by Function**
Fiscal Years 2016 to 2025
(unaudited)**For the Fiscal Year Ended August 31,**

	2025	2024	2023	2022	2021
Instruction	\$ 129,371,490	\$ 125,266,331	\$ 114,409,028	\$ 106,883,051	\$ 107,515,025
Public Service	537,346	615,155	581,897	734,651	706,221
Academic Support	35,018,510	35,942,014	34,027,636	29,810,751	23,120,562
Student Services	23,980,111	24,712,256	22,451,275	20,738,450	20,110,660
Institutional Support	52,424,418	50,336,233	62,751,782	51,305,444	40,961,730
Operation and Maintenance of Plant	27,781,246	26,346,933	27,884,075	23,570,715	20,882,496
Scholarships and Fellowships	32,246,187	23,949,038	18,940,360	36,856,190	24,078,545
Auxiliary Enterprises	6,660,937	5,841,265	5,711,413	4,543,309	3,828,317
Depreciation	30,210,984	29,825,067	27,205,727	22,838,726	18,691,859
Total Operating Expenses	338,231,229	322,834,292	313,963,193	297,281,287	259,895,415
Interest on Capital Related Debt	22,534,828	17,541,826	18,461,878	18,757,487	19,060,180
Other Non-Operating Expenses	509,089	64,104	700	442,054	2,638
Loss on Disposal of Fixed Assets	-	-	-	-	-
Total Non-Operating Expenses	23,043,917	17,605,930	18,462,578	19,199,541	19,062,818
Total Expenses	\$ 361,275,146	\$ 340,440,222	\$ 332,425,771	\$ 316,480,828	\$ 278,958,233

For the Fiscal Year Ended August 31,

	2025	2024	2023	2022	2021
Instruction	35.81%	36.80%	34.42%	33.77%	38.54%
Public Service	0.15%	0.18%	0.18%	0.23%	0.25%
Academic Support	9.69%	10.56%	10.24%	9.42%	8.29%
Student Services	6.64%	7.26%	6.75%	6.55%	7.21%
Institutional Support	14.51%	14.79%	18.88%	16.21%	14.69%
Operation and Maintenance of Plant	7.69%	7.74%	8.39%	7.45%	7.49%
Scholarships and Fellowships	8.93%	7.02%	5.69%	11.64%	8.63%
Auxiliary Enterprises	1.84%	1.72%	1.72%	1.44%	1.37%
Depreciation	8.36%	8.76%	8.18%	7.22%	6.70%
Total Operating Expenses	93.62%	94.83%	94.45%	93.93%	93.17%
Interest on Capital Related Debt	6.24%	5.15%	5.55%	5.93%	6.83%
Other Non-Operating Expenses	0.14%	0.02%	0.00%	0.14%	0.00%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Total Non-Operating Expenses	6.38%	5.17%	5.55%	6.07%	6.83%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Program Expenses by Function**
Fiscal Years 2016 to 2025
(unaudited)**For the Fiscal Year Ended August 31,**

	2020	2019	2018	2017	2016
Instruction	\$ 94,808,531	\$ 85,053,537	\$ 74,863,647	\$ 70,813,288	\$ 72,044,666
Public Service	633,445	438,331	533,546	701,327	1,260,478
Academic Support	20,472,310	16,817,374	14,226,341	12,194,878	11,908,733
Student Services	19,062,205	17,416,367	15,406,930	12,965,133	11,875,226
Institutional Support	39,239,368	32,273,267	26,911,239	24,213,569	19,966,816
Operation and Maintenance of Plant	16,518,861	15,561,126	13,444,347	12,933,541	11,666,212
Scholarships and Fellowships	22,555,231	18,571,380	18,760,158	16,856,378	16,342,810
Auxiliary Enterprises	4,038,776	2,470,080	2,253,950	3,038,575	6,413,444
Depreciation	12,552,149	9,423,418	9,053,254	8,788,326	8,392,630
Total Operating Expenses	229,880,876	198,024,880	175,453,412	162,505,015	159,871,015
Interest on Capital Related Debt	12,675,077	9,341,076	3,982,439	731,903	1,223,125
Other Non-Operating Expenses	2,095,127	-	2,309,087	-	-
Loss on Disposal of Fixed Assets	-	-	13,121	-	-
Total Non-Operating Expenses	14,770,204	9,341,076	6,304,647	731,903	1,223,125
Total Expenses	\$ 244,651,080	\$ 207,365,956	\$ 181,758,059	\$ 163,236,918	\$ 161,094,140

For the Fiscal Year Ended August 31,

	2020	2019	2018	2017	2016
Instruction	38.75%	41.02%	41.19%	43.39%	44.74%
Public Service	0.26%	0.21%	0.29%	0.43%	0.78%
Academic Support	8.37%	8.11%	7.83%	7.47%	7.39%
Student Services	7.79%	8.40%	8.48%	7.94%	7.37%
Institutional Support	16.05%	15.57%	14.80%	14.83%	12.39%
Operation and Maintenance of Plant	6.75%	7.50%	7.40%	7.92%	7.24%
Scholarships and Fellowships	9.22%	8.96%	10.32%	10.33%	10.14%
Auxiliary Enterprises	1.65%	1.19%	1.24%	1.86%	3.98%
Depreciation	5.13%	4.54%	4.98%	5.38%	5.21%
Total Operating Expenses	93.97%	95.50%	96.53%	99.55%	99.24%
Interest on Capital Related Debt	5.17%	4.50%	2.19%	0.45%	0.76%
Other Non-Operating Expenses	0.86%	0.00%	1.27%	0.00%	0.00%
Loss on Disposal of Fixed Assets	0.00%	0.00%	0.01%	0.00%	0.00%
Total Non-Operating Expenses	6.03%	4.50%	3.47%	0.45%	0.76%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%

**Resident
Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Records		Tuition				Building		Student Activity		Cost for 12 SCH		Change from Prior Year			
			In-District		Out-of-District		Use Fee	(per hour)	Fee	(per hour)	In-District	Out-of-District	In-District	Out-of-District		
		Fee (per student)	\$	65	\$	125	\$	-	\$	2	\$	806	\$	1,526	8.0%	8.5%
2024	\$	2	\$	65	\$	125	\$	-	\$	2	\$	806	\$	1,526	8.0%	8.5%
2023		2		60		115		-		2		746		1,406	0.0%	0.0%
2022		2		60		115		-		2		746		1,406	8.7%	13.6%
2021		2		55		101		-		2		686		1,238	5.5%	3.0%
2020		2		52		98		-		2		650		1,202	0.0%	0.0%
2019		2		52		98		-		2		650		1,202	8.0%	4.2%
2018		2		48		94		-		2		602		1,154	8.7%	9.1%
2017		2		44		86		-		2		554		1,058	9.5%	6.0%
2016		2		41		82		-		1		506		998	7.7%	6.4%
2015		2		32		71		6		1		470		938	0.0%	0.0%

**Non-Resident
Fees per Semester Credit Hour (SCH)**

Academic Year (Fall)	Records		Tuition				Building		Student Activity		Cost for 12 SCH		Change from Prior Year			
			Out of State		International		Use Fee	(per hour)	Fee	(per hour)	In-District	Out-of-District	In-District	Out-of-District		
		Fee (per student)	\$	200	\$	200	\$	-	\$	2	\$	2,426	\$	2,426	8.0%	8.0%
2024	\$	2	\$	200	\$	200	\$	-	\$	2	\$	2,426	\$	2,426	8.0%	8.0%
2023		2		185		185		-		2		2,246		2,246	0.0%	0.0%
2022		2		185		185		-		2		2,246		2,246	10.0%	10.0%
2021		2		168		168		-		2		2,042		2,042	1.8%	1.8%
2020		2		165		165		-		2		2,006		2,006	0.0%	0.0%
2019		2		165		165		-		2		2,006		2,006	3.1%	3.1%
2018		2		160		160		-		2		1,946		1,946	8.7%	8.7%
2017		2		147		147		-		2		1,790		1,790	4.2%	4.2%
2016		2		142		142		-		1		1,718		1,718	3.6%	3.6%
2015		2		131		131		6		1		1,658		1,658	0.0%	0.0%

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

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Assessed Value and Taxable Assessed Value of Property
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	Assessed Valuation of Property	Less: Exemptions / Abatements	Taxable Assessed Value (TAV)	Ratio of Taxable Assessed Value to Assessed Value	Direct Rate		
					Maintenance & Operations (a)	Debt Service (a)	Total (a)
2024-25	\$288,944,402,608	\$ 62,819,652,019	\$226,124,750,589	78.26%	0.075000	0.00622	0.081220
2023-24	\$286,339,347,151	\$ 91,148,365,666	\$195,190,981,485	68.17%	0.075000	0.00622	0.081220
2022-23	241,608,724,839	49,455,820,156	192,152,904,683	79.53%	0.075000	0.00622	0.081220
2021-22	198,233,195,044	30,337,830,581	167,895,364,463	84.70%	0.079100	0.002122	0.081222
2020-21	188,791,935,841	29,225,450,705	159,566,485,136	84.52%	0.079100	0.002122	0.081222
2019-20	176,741,386,622	28,361,861,908	148,379,524,714	83.95%	0.079100	0.002122	0.081222
2018-19	165,358,186,889	27,407,338,073	137,950,848,816	83.43%	0.078190	0.003032	0.081222
2017-18	150,997,988,054	25,735,409,816	125,262,578,238	82.96%	0.077118	0.002692	0.079810
2016-17	134,712,150,568	24,102,439,926	110,609,710,642	82.11%	0.078174	0.003048	0.081222
2015-16	119,250,034,517	21,520,774,913	97,729,259,604	81.95%	0.078965	0.002995	0.081960

(a) per \$100 Taxable Assessed Valuation

Note: Property is assessed at full market value.

Source: Collin County Central Appraisal District

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

General Appropriations Act Before Contact Hour Adjustments
Last Ten Fiscal Years*
(unaudited)

Appropriation Funding Elements	For the Year Ended August 31,				
	2025	2024	2023	2022	2021
State Appropriations - Non Formula	\$ -	\$ -	\$ -	\$ -	\$ -
State Appropriations - Base Tier	-	-	-	-	-
State Appropriations - Performance Tier	62,347,954	51,586,037	-	-	-
State Appropriation Contact Hour Funding (CH)*	-	-	36,450,479	36,450,479	34,207,367
State Appropriation Student Success Points (SSP)*	-	-	7,478,581	7,478,581	4,946,247
State Appropriation Core Operations (CO)*	-	-	680,406	680,406	680,406
Recouped Funds/Audit Adj	-	-	-	-	9,108
Total	\$ 62,347,954	\$ 51,586,037	\$ 44,609,466	\$ 44,609,466	\$ 39,843,128
Appropriation Funding Elements	2020	2019	2018	2017	2016
	\$ -	\$ -	\$ -	\$ -	\$ -
Performance Based Funding	\$ -	\$ -	\$ -	\$ -	\$ -
State Appropriation Contact Hour Funding (CH)	34,207,367	31,084,468	31,084,468	29,864,582	29,923,738
State Appropriation Student Success Points (SSP)	4,946,247	3,735,127	3,735,128	3,320,992	3,320,993
State Appropriation Core Operations (CO)	680,406	680,406	680,406	500,000	500,000
Recouped Funds/Audit Adj	11,391	11,391	11,391	-	-
Total	\$ 39,845,411	\$ 35,511,392	\$ 35,511,393	\$ 33,685,574	\$ 33,744,731

* Only applies to FY 2023 and prior fiscal years while this funding structure was in effect.

Source: THECB - Three-Pay Schedule, Ten Pay Schedule 2015-2023

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

State Appropriation per FTSE
Last Ten Fiscal Years
(unaudited)

Fiscal Year		State Appropriation (Unrestricted) From Sch C	FTSE ¹		State Appropriation per FTSE
2025	\$	62,347,954	25,924	\$	2,405
2024		51,586,037	24,677		2,090
2023		44,609,466	22,819		1,955
2022		44,609,466	21,818		2,045
2021		39,843,128	21,556		1,848
2020		39,845,411	21,779		1,830
2019		35,511,392	20,656		1,719
2018		35,512,154	19,610		1,811
2017		33,739,730	18,717		1,803
2016		33,685,576	17,891		1,883

¹ Fiscal Year (FY) FTSE is equal to The Sum of State Funded (Fall SCH + Spring SCH + Summer SCH for the Current FY/30SCH) plus State Funded Continuing Education (Fall CH + Spring CH + Summer CH for the Current FY/120 CH).

Source: CBM004 and CBM00C

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

State Appropriation per Contact Hour
Last Ten Fiscal Years*
(unaudited)

Fiscal Year	CH - State Appropriation (Unrestricted) ¹	Academic Contact Hours	Technical Contact Hours	Continuing Education Contact Hours	Total Contact Hours	CH - State Appropriation per Funded Contact Hour
2025	\$ -	-	-	-	-	\$ -
2024	-	-	-	-	-	-
2023	36,450,479	10,604,120	3,146,184	457,257	14,207,561	2.57
2022	36,450,479	10,153,032	2,793,308	463,414	13,409,754	2.72
2021	34,207,367	10,640,136	2,269,184	394,167	13,303,487	2.57
2020	34,207,367	10,907,704	1,762,720	521,754	13,192,178	2.59
2019	31,084,468	10,904,854	1,606,672	625,733	13,137,259	2.37
2018	31,084,468	10,451,199	1,421,600	625,735	12,498,534	2.49
2017	29,864,582	9,890,990	1,369,872	633,393	11,894,255	2.51
2016	29,923,738	9,555,760	1,348,656	665,890	11,570,306	2.59

CH = State Funded Academic, Technical and Continuing Education Contact hours for Fall, Spring and Summer of the Current FY

¹ State Funded Contact Hour Appropriations as it appears in Schedule 6a

* Only applies to FY 2023 and prior fiscal years while this funding structure was in effect.

Source: CBM004 and CBM00C

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

State Appropriation Per Student Success Point - Annualized
Last Ten Fiscal Years*
(unaudited)

Fiscal Year	SSP - State Appropriation (Unrestricted)	3-Year Average Student Success Points	Appropriation per Student Success Point
2025	\$ -	-	\$ -
2024	-	-	-
2023	7,478,581	60,334	124
2022	7,478,581	60,334	124
2021	4,946,247	48,844	101
2020	4,946,247	48,844	101
2019	3,735,127	43,544	86
2018	3,735,128	43,544	86
2017	3,320,992	38,485	86
2016	3,320,993	38,485	86

* Only applies to FY 2023 and prior fiscal years while this funding structure was in effect.

State Funded student success point appropriation as presented in Schedule 6a

Source: THECB - Three-Pay Schedule, Ten Pay Schedule 2015-2023

For the Fiscal Year Ended August 31,

Success Point Elements¹	2021	2020	2019**	2018	2017	2016
Degrees or Certs in Critical Fields	2,311	1,986	2,022	1,136	1,008	889
Degrees, CCCs, or Certs (Unduplicated)	6,610	6,671	5,368	8,338	8,078	7,312
Math Readiness	1,444	1,744	961	1,040	1,064	837
Read Readiness	544	556	486	478	488	383
Student Transfers to a 4-Yr Institution	10,743	11,943	11,247	6,196	5,988	6,254
Students Who Complete 15 SCH	10,974	10,901	10,201	9,538	9,205	8,130
Students Who Complete 30 SCH	10,164	9,943	9,341	5,927	5,523	5,217
Students Who Pass FCL Math Course	7,237	7,791	6,728	6,054	5,728	5,529
Students Who Pass FCL Read Course	6,548	7,031	6,985	6,368	5,940	5,450
Students Who Pass FCL Write Course	6,385	6,913	6,872	6,215	5,765	5,309
Write Readiness	270	263	199	332	458	357
Annual Success Points - Total	<u>63,230</u>	<u>65,742</u>	<u>60,410</u>	<u>51,622</u>	<u>49,245</u>	<u>45,667</u>

* Only applies to FY 2023 and prior fiscal years while this funding structure was in effect.

¹ These are annual weighted SSP, not 3-year rolling averages.

** Utilized the most updated information including changes made to FY 2019

Source: THECB Accountability System

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Principal Taxpayers
Last Ten Tax Years
(unaudited)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2025	2024	2023	2022	2021
Texas Instruments, Inc	Manufacturer	\$ 2,677,601,487	\$ 3,072,281,972	\$ 1,909,511,992	\$ 822,609,379	\$ 235,321,892
Oncor Electric Delivery Company	Public Utility	803,350,900	779,918,720	797,946,750	718,708,443	666,336,300
Corporate Properties Trust I SPE #1 LLC	Commercial	-	-	722,623,725	714,253,292	707,032,327
Toyota Motor North America INC	Manufacturer	631,000,000	640,841,317	640,841,317	634,470,917	624,549,283
JP Morgan Chase Bank NA	Commercial	612,012,510	630,746,696	630,746,696	626,490,539	565,051,815
Coreweave Inc	Commercial	441,213,771	487,126,129	-	-	-
Legacy West Investors LP	Commercial	476,808,667	455,550,080	435,534,207	394,500,000	372,527,440
JFSF Edgewood 1-3 LLC	Commercial	427,854,528	427,854,528	-	-	-
Bank of America	Commercial	382,899,108	417,123,284	412,548,857	295,148,704	175,165,343
Liberty Mutual Plano LLC	Commercial	373,704,372	385,447,038	390,006,849	381,938,992	377,170,909
CCI-D 6501 Legacy Owners LLC	Commercial	353,141,430	348,571,439	356,210,866	335,000,000	-
Stonebriar Mall Ltd. Partnership	Commercial	372,276,667	348,754,057	341,025,726	331,853,647	327,766,669
Health Care Service Corporation	Commercial	340,150,927	339,173,112	338,477,716	336,126,339	333,160,554
Atmos Energy/Mid Tex Division	Commercial	435,529,428	371,524,954	327,249,717	274,063,937	295,259,831
5765 Bozeman (TX) Owner LP	Commercial	317,000,000	316,138,365	313,981,951	229,952,844	-
Harbert Parkside Investor LP	Commercial	265,687,708	266,994,038	265,470,217	253,741,682	-
T-Mobile West LLC	Commercial	-	-	246,659,922	267,796,614	197,673,166
Capital One National Association	Commercial	-	226,296,755	235,215,970	235,215,970	232,887,100
Blue Star HQ Inc	Commercial	-	221,550,743	225,596,462	217,920,051	224,437,922
Encore Wire Corporation	Manufacturer	269,844,354	220,283,295	211,036,786	-	-
Raytheon TI Systems Inc	Manufacturer	369,578,976	370,622,673	198,779,758	-	-
CXA-16 Corporation	Commercial	-	-	-	-	332,634,547
Raytheon Company	Manufacturer	336,749,326	-	-	-	-
KBSIII Legacy Town Center LLC	Commercial	-	-	-	-	167,200,000
Texas Heart Hospital of the Southwest LLP	Commercial	-	-	-	-	162,571,929
Redwood-ERC Dallas LLC	Commercial	270,000,000	-	-	-	-
Qorvo Texas LLC	Manufacturer	-	-	-	173,002,383	178,972,094
UDR Legacy Village LLC	Commercial	-	-	-	176,750,105	163,556,782
Totals		\$ 10,156,404,159	\$ 10,326,799,195	\$ 8,999,465,484	\$ 7,419,543,838	\$ 6,339,275,903
Total Taxable Assessed Value		\$ 225,657,786,301	\$ 195,190,981,485	\$ 192,152,904,683	\$ 167,895,364,463	\$ 159,566,485,136

Source: Tax Assessor/Collector of Collin County

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Principal Taxpayers
Last Ten Tax Years
(unaudited)**

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Tax Year				
		2020	2019	2018	2017	2016
Texas Instruments, Inc	Manufacturer	\$ 179,559,887	\$ 171,414,883	\$ 190,297,524	\$ 195,581,438	\$ -
Oncor Electric Delivery Company	Public Utility	586,563,240	-	544,867,308	511,950,135	543,516,118
Corporate Properties Trust I SPE #1 LLC	Commercial	725,887,092	711,682,592	720,068,550	685,493,462	-
Toyota Motor North America INC	Manufacturer	634,470,917	613,365,733	592,679,891	358,473,658	-
JP Morgan Chase Bank NA	Commercial	433,884,153	362,487,692	312,538,085	140,967,122	-
Legacy West Investors LP	Commercial	392,564,484	378,750,238	340,861,050	221,702,635	-
Bank of America	Commercial	319,273,489	280,562,279	248,522,533	198,249,810	438,945,810
Liberty Mutual Plano LLC	Commercial	385,270,425	377,568,425	345,798,915	-	-
Stonebriar Mall Ltd. Partnership	Commercial	354,194,082	330,831,345	321,459,957	294,907,713	287,982,811
Health Care Service Corporation	Commercial	342,496,820	335,422,191	292,703,563	257,500,000	234,520,075
Atmos Energy/Mid Tex Division	Commercial	272,524,706	253,817,943	174,619,058	-	-
T-Mobile West LLC	Commercial	-	167,217,724	-	-	-
Capital One National Association	Commercial	237,730,753	232,838,352	216,428,297	190,788,000	149,429,000
Blue Star HQ Inc	Commercial	224,713,504	210,342,421	201,017,500	-	-
394 Pacific DCD LLC	Commercial	-	-	187,235,847	168,000,000	-
AT&T Mobility LLC	Telephone Utility	-	-	189,870,432	149,825,169	161,911,224
BCS Office Investments One LP	Commercial	-	-	-	-	362,453,234
Briar Preston Ridge Shop. Ctr.	Commercial	-	-	-	-	121,936,281
Cisco Systems Sales & Service Inc	Commercial	159,000,000	194,800,000	181,600,000	155,000,000	135,112,776
HP Enterprise Services LLC	Commercial	-	-	-	178,540,755	151,351,731
HSP of Texas Inc	Commercial	-	-	-	149,281,614	143,641,649
JC Penney Co. Inc.	Commercial	-	-	-	-	166,000,000
KBSIII Legacy Town Center LLC	Commercial	165,382,954	-	163,915,077	154,458,567	-
Legacy Campus LP	Commercial	-	-	-	139,524,292	133,735,904
SI DFW01 ABS LLC	Commercial	-	224,700,000	-	-	-
Silos Harvesting Partners LP	Commercial	397,480,240	389,652,603	310,000,000	245,000,000	-
T5@Dallas LLC	Commercial	-	-	-	-	146,000,000
Texas Heart Hospital of the Southwest LLP	Commercial	169,745,271	177,346,413	-	-	-
United Dominion Realty LP	Commercial	-	-	-	-	122,947,560
VAA Improvements LLC	Commercial	160,680,000	162,926,685	160,963,346	-	-
Village at Allen LP	Commercial	-	-	-	154,189,216	147,302,454
Watters Creek LLC	Commercial	-	-	-	-	117,750,824
Willow Bend Shopping Center	Commercial	-	-	-	-	140,600,000
Qorvo Texas LLC	Manufacturer	174,902,640	196,551,827	-	-	190,075,709
UDR Legacy Village LLC	Commercial	163,000,000	-	155,600,000	142,527,900	-
Totals		\$ 6,479,324,657	\$ 5,772,279,346	\$ 5,851,046,933	\$ 4,691,961,486	\$ 3,895,213,160
Total Taxable Assessed Value		\$ 148,379,524,714	\$ 137,950,848,816	\$ 125,262,578,238	\$ 110,609,710,642	\$ 97,729,259,604

Source: Tax Assessor/Collector of Collin County

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Property Tax Levies and Collections
Last Ten Tax Years
(unaudited)**
(amounts expressed in thousands)

Fiscal Year Ended August 31	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections Year of Levy (c)	Percentage	Collections of Prior Years (d)	Collections of Penalties and Interest (e)	Total Collections (c + d + e)	Cumulative Collections of Adjusted Levy
2025	\$ 181,813	\$ 777	\$ 181,590	\$ 178,000	98.32%	\$ (400)	\$ 1,227	\$ 178,827	98.78%
2024	157,887	4,946	162,833	160,717	98.70%	718	477	161,912	99.43%
2023	151,001	7,110	158,111	156,186	98.78%	697	690	157,573	99.66%
2022	134,544	600	135,144	133,934	99.10%	703	581	135,218	100.05%
2021	126,519	514	127,033	125,968	99.16%	268	659	126,895	99.89%
2020	121,041	2,933	123,974	120,008	96.80%	321	666	120,995	97.60%
2019	112,145	2,631	114,776	111,448	97.10%	830	619	112,897	98.36%
2018	100,783	2,267	103,050	99,383	96.44%	844	544	100,771	97.79%
2017	91,096	2,941	94,037	89,217	94.87%	1,157	648	91,022	96.79%
2016	82,019	2,092	84,111	80,484	95.69%	1,239	597	82,320	97.87%

(a) As reported in notes to the financial statement for the year of the levy.
 (b) As of August 31st of the current reporting year.
 (c) Property tax only - does not include penalties and interest.
 (d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy.
 (e) Represents current year collections of prior years levies.

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)

For the Fiscal Year Ended August 31,

	2025	2024	2023	2022*	2021*
General Bonded Debt					
General Obligation Bonds	\$ 486,252,780	\$ 511,186,381	\$ 534,989,981	\$ 556,523,582	\$ 575,747,183
Less: Funds Restricted for Debt Service	(12,186,243)	(13,960,709)	(12,595,820)	(10,409,124)	(10,188,965)
Net General Bonded Debt	<u>474,066,537</u>	<u>497,225,672</u>	<u>522,394,161</u>	<u>546,114,458</u>	<u>565,558,218</u>
Other Debt					
Revenue Bonds	185,133,023	-	-	-	-
Leased Equipment	1,280,960	1,735,441	2,172,625	762,788	1,327,349
Educational SBITAs	2,920,812	1,513,484	1,701,792	2,238,058	-
IT management SBITAs	1,245,169	801,696	730,755	805,444	-
Facilities management SBITAs	581,244	863,865	734,419	837,467	-
Financial SBITAs	<u>6,147,406</u>	<u>7,797,983</u>	<u>9,405,950</u>	<u>10,272,933</u>	<u>-</u>
Total Other Debt	<u>197,308,614</u>	<u>12,712,469</u>	<u>14,745,540</u>	<u>14,916,690</u>	<u>1,327,349</u>
Total Net Outstanding Debt	<u>\$ 671,375,151</u>	<u>\$ 509,938,141</u>	<u>\$ 537,139,701</u>	<u>\$ 561,031,148</u>	<u>\$ 566,885,567</u>
Total Gross Amount of Outstanding Debt	<u>\$ 683,561,394</u>	<u>\$ 523,898,850</u>	<u>\$ 549,735,521</u>	0	<u>\$ 571,440,272</u>
					<u>\$ 577,074,532</u>
General Bonded Debt Ratios					
Per Capita	445.36	415.96	450.85	492.23	531.31
Per FTSE	18,287	20,149	22,893	25,030	26,237
As a Percentage of Taxable Assessed Value	0.21%	0.25%	0.27%	0.33%	0.35%
Total Outstanding Debt Ratios					
Per Capita	642.16	438.28	474.44	7.48	8.14
Per FTSE	25,898	20,664	23,539	25,714	26,298
As a Percentage of Taxable Assessed Value	0.30%	0.26%	0.28%	0.33%	0.36%

* Restated

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Ratios of Outstanding Debt
Last Ten Fiscal Years
(unaudited)

For the Fiscal Year Ended August 31,

	2020	2019	2018	2017	2016
General Bonded Debt					
General Obligation Bonds	\$ 596,311,827	\$ 256,487,832	\$ 264,388,553	\$ 14,843,861	\$ 17,206,467
Less: Funds Restricted for Debt Service	(7,378,630)	(6,342,738)	(2,250,198)	(894,905)	(552,079)
Net General Bonded Debt	<u>588,933,197</u>	<u>250,145,094</u>	<u>262,138,355</u>	<u>13,948,956</u>	<u>16,654,388</u>
Other Debt					
Revenue Bonds	-	-	-	1,095,000	2,160,000
Lease and SBITA Liabilities	-	-	-	-	-
Total Other Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,095,000</u>	<u>2,160,000</u>
Total Outstanding Debt	<u>\$ 588,933,197</u>	<u>\$ 250,145,094</u>	<u>\$ 262,138,355</u>	<u>\$ 15,043,956</u>	<u>\$ 18,814,388</u>
Total Gross Amount of Outstanding Debt	<u>\$ 596,311,827</u>	<u>\$ 256,487,832</u>	<u>\$ 264,388,553</u>	<u>\$ 15,938,861</u>	<u>\$ 19,366,467</u>

General Bonded Debt Ratios

Per Capita	569.17	248.86	14.85	18.22	35.50
Per FTSE	27,041	12,110	13,367	804	1,052
As a Percentage of Taxable Assessed Value	0.40%	0.18%	0.21%	0.01%	0.02%

Total Outstanding Debt Ratios

Per Capita	576.30	255.17	16.96	21.19	39.52
Per FTSE	27,041	12,110	13,367	804	1,052
As a Percentage of Taxable Assessed Value	0.40%	0.18%	0.01%	0.02%	0.04%

General Obligation Bonds

For the Year Ended <u>August 31</u>	Net Taxable Assessed Value	Statutory Tax Levy Limit for Debt Service (\$0.12/\$100)		Less: Funds Restricted for Repayment	Total Net Debt	Current Year Debt Service	Excess of Statutory Limit for Debt Service over Current Requirement	Net Current Requirements as a % of Statutory Limit
2025	\$ 226,124,750,589	\$ 271,349,701	\$ 12,186,243	\$ 259,163,458	\$ 44,272,507	\$ 214,890,951	11.82%	
2024	195,190,981,485	234,229,178	13,960,709	220,268,469	44,166,757	176,101,712	12.90%	
2023	192,152,904,683	230,583,486	12,595,820	217,987,666	42,807,507	175,180,159	13.10%	
2022	167,895,364,463	201,474,437	10,409,124	191,065,313	41,292,757	149,772,556	15.33%	
2021	159,566,485,139	191,479,782	10,188,965	181,290,817	46,979,928	134,310,889	19.21%	
2020	148,379,524,714	178,055,430	7,378,630	170,676,800	22,263,613	148,413,187	8.36%	
2019	137,950,848,816	165,541,019	6,342,738	159,198,281	20,561,942	138,636,339	8.59%	
2018	125,262,578,238	150,315,094	2,250,198	148,064,896	3,107,481	144,957,415	0.57%	
2017	110,609,710,642	132,731,653	894,905	131,836,748	3,095,281	128,741,467	1.66%	
2016	97,729,259,604	117,275,112	552,079	116,723,033	4,567,230	112,155,803	3.42%	

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars TAV.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

**Pledged Revenue Coverage
Last Ten Fiscal Years
(unaudited)**
Revenue Bonds

Fiscal Year Ended August 31	Pledged Revenues						Debt Service Requirements				Coverage Ratio
	Tuition	Building Fees	Interest Income	Food Services	Bookstore Commission	Total	Principal	Interest	Total		
2025	\$ -	\$ -	\$ 6,297,986	\$ -	\$ -	\$ 6,297,986	\$ -	\$ 6,065,295	\$ 6,065,295	1.04	
2024	-	-	-	-	-	-	-	-	-	-	
2023	-	-	-	-	-	-	-	-	-	-	
2022	-	-	-	-	-	-	-	-	-	-	
2021	-	-	-	-	-	-	-	-	-	-	
2020	-	-	-	-	-	-	-	-	-	-	
2019	-	-	-	-	-	-	-	-	-	-	
2018	1,050,668	-	4,058,101	638,312	853,467	6,600,548	1,095,000	16,261	1,111,261	5.94	
2017	968,370	-	2,160,097	353,272	740,618	4,222,357	1,065,000	48,337	1,113,337	3.79	
2016	921,998	3,326,064	795,600	93,547	4,253,551	9,390,760	1,035,000	79,522	1,114,522	8.43	

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	District Population¹	District Personal Income (\$ in thousands)²	District Personal Income Per Capita	District Unemployment Rate³
2025	1,064,465	\$103,829,292 *	\$86,860	3.9%
2024	1,195,359	103,829,292	86,860	3.9%
2023	1,158,696	95,700,547	82,593	3.1%
2022	1,109,462	76,380,741	71,246	4.3%
2021	1,064,465	70,852,208	68,474	4.0%
2020	1,034,730	66,212,712	65,874	5.4%
2019	1,005,146	62,078,378	64,025	3.1%
2018	969,603	57,482,679	61,179	3.4%
2017	939,585	62,113,034	63,911	3.7%
2016	914,127	58,385,800	61,866	3.8%

¹ Source: Population statistics obtained from July preceding the fiscal year presented; i.e. 2023 Census Bureau used for fiscal year 2024

² Personal Income from U.S. Bureau of Economic Analysis - for all years presented except for fiscal years 2018-2021; data obtained from Texas Association of Counties for fiscal years 2018-2021.

³ All Unemployment rates obtained from Texas Workforce Commission LCMI Tracer, except Fiscal Year 2018; 2018 fiscal year data was obtained from Texas Association of Counties.

* From October 1, 2025 - November 12, 2025, the federal government was in a shutdown. As a result, the Bureau of Economic Analysis website was not updated with 2024 data. The Texas Association of Counties last updated 2023 was used for FY2025.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Principal Employers
Current Fiscal Year to Nine Years Prior
(unaudited)

Employer	2025		2016	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
State Farm Insurance Corporate Office	12,000	1.91%	-	0.00%
JP Morgan Chase	10,530	1.68%	-	0.00%
Frisco Independent School District	8,850	1.41%	-	0.00%
Bank of America	6,318	1.01%	4,646	1.03%
Capital One Finance	5,578	0.89%	3,683	0.82%
Richardson Independent School District	5,500	0.88%	-	-
Blue Cross Blue Shield of Texas	5,300	0.84%	3,100	0.69%
Toyota North American HG	4,960	0.79%	-	-
Raytheon Intelligence and Space	4,200	0.67%	-	-
PepsiCo	3,759	0.60%	-	-
No longer eligible for listing	6,620	1.05%	26,900	5.96%
	73,615	11.73%	38,329	8.50%

Percentages are calculated based on the total number employed in Collin County.

Source: Collin County Annual Comprehensive Financial Report 2024

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Faculty, Staff, and Administrators Statistics
Last Ten Tax Years
(unaudited)

	Fiscal Year				
	2025	2024	2023	2022	2021
Faculty					
Full-Time	543	547	541	500	532
Part-Time	471	1,482	1196	812	881
Total	1,014	2,029	1,737	1,312	1,413
Percent					
Full-Time	53.6%	27.0%	31.1%	38.1%	37.7%
Part-Time	46.4%	73.0%	68.9%	61.9%	62.3%
Staff and Administrators					
Full-Time	1,083	1,031	1020	988	946
Part-Time	576	503	473	392	425
Total	1,659	1,534	1,493	1,380	1,371
Percent					
Full-Time	65.3%	67.2%	68.3%	71.6%	69.0%
Part-Time	34.7%	32.8%	31.7%	28.4%	31.0%
FTSE per Full-Time Faculty	47.74	45.11	42.18	50.48	47.44
FTSE per Full-Time Staff Member	23.94	23.94	22.37	25.55	26.68
Average Annual Faculty Salary	\$ 80,009	\$ 74,012	\$ 74,399	\$ 74,217	\$ 70,855

Sources: FTSE as reported on CBM001/CBM00A; IPEDS Human Resource Report

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Faculty, Staff, and Administrators Statistics
Last Ten Tax Years
(unaudited)

	Fiscal Year				
	2020	2019	2018	2017	2016
Faculty					
Full-Time	472	436	402	395	409
Part-Time	982	952	1,000	945	905
Total	1,454	1,388	1,402	1,340	1,314
Percent					
Full-Time	32.5%	31.4%	28.7%	29.5%	31.1%
Part-Time	67.5%	68.6%	71.3%	70.5%	68.9%
Staff and Administrators					
Full-Time	808	735	685	648	626
Part-Time	740	576	599	599	583
Total	1,548	1,311	1,284	1,247	1,209
Percent					
Full-Time	52.2%	56.1%	53.3%	52.0%	51.8%
Part-Time	47.8%	43.9%	46.7%	48.0%	48.2%
FTSE per Full-Time Faculty	55.18	59.99	62.32	61.55	57.97
FTSE per Full-Time Staff Member	32.23	35.59	36.57	37.52	37.87
Average Annual Faculty Salary	\$ 68,070	\$ 69,311	\$ 66,728	\$ 65,167	\$ 62,315

Sources: FTSE as reported on CBM001/CBM00A; IPEDS Human Resource Report

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Enrollment Details
Last Ten Fiscal Years
(unaudited)

Student Classification	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
00-30 hours	30,333	77%	25,630	68%	23,403	67%	22,253	66%	27,068	76%
31-60 hours	6,593	17%	8,418	22%	8,242	23%	8,335	25%	6,367	18%
> 60 hours	2,626	7%	3,748	10%	3,440	10%	3,102	9%	1,957	6%
Total	<u>39,552</u>	<u>100%</u>	<u>37,796</u>	<u>100%</u>	<u>35,085</u>	<u>100%</u>	<u>33,690</u>	<u>100%</u>	<u>35,392</u>	<u>100%</u>

Semester Hour Load	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
0-3 SCH	6,255	16%	5,987	16%	5,526	16%	5,236	16%	6,214	18%
4-6 SCH	10,769	27%	10,357	27%	9,472	27%	9,006	27%	9,779	28%
7-11 SCH	9,767	25%	9,311	25%	8,727	25%	8,701	26%	8,641	24%
12-17 SCH	12,394	31%	11,804	31%	11,029	31%	10,511	31%	10,491	30%
18 or More SCH	367	1%	317	1%	331	1%	236	1%	267	1%
Total	<u>39,552</u>	<u>100%</u>	<u>37,776</u>	<u>100%</u>	<u>35,085</u>	<u>100%</u>	<u>33,690</u>	<u>100%</u>	<u>35,392</u>	<u>100%</u>

Average course load	8.5	8.5	8.5	8.5	8.3
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Tuition Status	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
TX Resident (In-District)	25,896	64%	25,614	67%	22,797	65%	22,450	67%	23,577	67%
TX Resident (Out-of-District)	11,081	29%	9,890	27%	8,751	25%	8,251	24%	8,727	24%
Non-Resident Tuition	2,575	7%	2,272	6%	3,537	10%	2,989	9%	3,088	9%
Total	<u>39,552</u>	<u>100%</u>	<u>37,776</u>	<u>100%</u>	<u>35,085</u>	<u>100%</u>	<u>33,690</u>	<u>100%</u>	<u>35,392</u>	<u>100%</u>

Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Enrollment Details
Last Ten Fiscal Years
(unaudited)

Student Classification	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
00-30 hours	24,311	69%	22,928	68%	21,319	67%	19,706	66%	18,351	65%
31-60 hours	8,004	23%	7,839	23%	7,444	24%	7,174	24%	7,089	25%
> 60 hours	2,829	8%	2,910	9%	2,856	9%	2,823	10%	2,747	10%
Total	<u>35,144</u>	100%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	100%

Semester Hour Load	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
0-3 SCH	5,970	10%	5,670	17%	5,396	17%	4,849	16%	4,586	16%
4-6 SCH	9,450	26%	8,696	26%	7,603	24%	7,065	24%	6,354	23%
7-11 SCH	8,964	26%	8,649	26%	8,389	26%	8,147	27%	7,806	27%
12-17 SCH	10,541	30%	10,478	31%	10,054	32%	9,494	32%	9,263	33%
18 or More SCH	219	1%	184	1%	177	1%	148	0%	178	0%
Total	<u>35,144</u>	93%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	99%

Average course load	8.3	8.4	8.4	8.5	8.5
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Tuition Status	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
TX Resident (In-District)	23,749	67%	23,310	69%	21,810	69%	20,912	70%	19,660	70%
TX Resident (Out-of-District)	8,647	25%	7,837	23%	6,685	21%	6,381	22%	5,845	20%
Non-Resident Tuition	2,748	8%	2,530	8%	3,124	10%	2,410	8%	2,682	10%
Total	<u>35,144</u>	100%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	100%

Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Student Profile
Last Ten Fiscal Years
(unaudited)

Gender	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
Male	17,911	45%	17,197	46%	15,787	45%	14,764	44%	15,113	43%
Female	21,429	54%	20,579	54%	19,298	55%	18,926	56%	20,279	57%
Prefer Not to Disclose	212	1%	-	0%	-	0%	-	0%	-	0%
Total	<u>39,552</u>	100%	<u>37,776</u>	100%	<u>35,085</u>	100%	<u>33,690</u>	100%	<u>35,392</u>	100%

Ethnic Origin	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
White	15,001	38%	15,314	41%	15,015	43%	15,042	45%	16,574	46%
Hispanic	8,749	22%	8,401	22%	7,783	22%	7,427	22%	7,395	21%
African American	5,014	13%	4,640	12%	4,189	12%	3,956	12%	4,142	12%
Asian	5,378	14%	5,592	15%	4,767	14%	4,188	12%	4,193	12%
Foreign	2,482	6%	612	2%	606	2%	578	2%	538	2%
Native American	185	0%	152	0%	123	0%	121	0%	131	0%
Other	2,743	7%	3,065	8%	2,602	7%	2,378	7%	2,419	7%
Total	<u>39,552</u>	100%	<u>37,776</u>	100%	<u>35,085</u>	100%	<u>33,690</u>	100%	<u>35,392</u>	100%

Age	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
	Number	Percent								
17 and Under	11,812	30%	10,655	28%	9,064	26%	8,156	24%	9,471	27%
18-22	18,039	46%	18,012	48%	17,239	49%	16,681	50%	16,851	48%
23-29	5,354	14%	4,964	13%	4,712	13%	4,704	14%	4,884	14%
30-35	1,701	4%	1,649	4%	1,579	5%	1,686	5%	1,671	5%
36-40	945	2%	870	2%	846	2%	855	3%	905	3%
41-54	1,379	3%	1,328	4%	1,365	4%	1,325	4%	1,322	4%
55 and Over	322	1%	298	1%	280	1%	283	1%	288	1%
Total	<u>39,552</u>	100%	<u>37,776</u>	100%	<u>35,085</u>	100%	<u>33,690</u>	100%	<u>35,392</u>	100%

Average Age (Fall) 21.8 21.6 21.8 21.8 21.8

Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Student Profile
Last Ten Fiscal Years
(unaudited)

Gender	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
Male	15,489	44%	14,899	44%	14,214	45%	13,315	45%	12,697	45%
Female	19,655	56%	18,778	56%	17,405	55%	16,388	55%	15,490	55%
Total	-	0%	-	0%	-	0%	-	0%	-	0%
	<u>35,144</u>	100%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	100%

Ethnic Origin	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
White	16,751	48%	16,309	49%	15,508	49%	14,961	51%	14,676	52%
Hispanic	7,386	21%	6,867	20%	6,249	20%	5,699	19%	5,360	20%
African American	3,955	11%	3,798	11%	3,644	12%	3,361	11%	3,264	12%
Asian	3,907	11%	3,641	11%	3,292	10%	2,903	10%	2,592	9%
Foreign	725	2%	794	2%	1,008	3%	1,173	4%	908	3%
Native American	123	0%	135	0%	134	0%	136	0%	137	0%
Other	2,297	7%	2,133	7%	1,784	6%	1,470	5%	1,250	4%
Total	<u>35,144</u>	100%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	100%

Age	Fall 2019		Fall 2018		Fall 2017		Fall 2016		Fall 2015	
	Number	Percent								
Under 18	8,276	24%	7,224	21%	5,530	17%	4,533	15%	3,765	13%
18 - 21	17,439	50%	16,890	50%	16,350	52%	15,256	51%	14,552	52%
22 - 24	5,182	15%	5,166	15%	5,292	17%	5,185	17%	5,270	19%
25 - 35	1,685	5%	1,664	5%	1,691	5%	1,782	6%	1,719	6%
36 - 50	900	3%	949	3%	999	3%	1,084	4%	1,066	4%
51 & Over	1,351	4%	1,487	4%	1,483	5%	1,587	5%	1,540	5%
Total	<u>311</u>	1%	<u>297</u>	1%	<u>274</u>	1%	<u>276</u>	1%	<u>275</u>	1%
	<u>35,144</u>	100%	<u>33,677</u>	100%	<u>31,619</u>	100%	<u>29,703</u>	100%	<u>28,187</u>	100%

Average Age (Fall) 22.1 22.4 22.8 23.3 23.7

Source: Collin College's Institutional Research Office based on official Fall Census Headcount reports.

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Transfers to Senior Institutions
2023 Fall Students as of Fall 2024
(Includes community, technical and public senior colleges in Texas)
(unaudited)

Transfer Destination	Transfer Student Count				Total	Percentage
	Academic	Technical	Tech-Prep	CEU		
Universities						
Angelo State University	10	-	-	-	10	0.12%
Lamar University	7	4	-	-	11	0.13%
Midwestern State University	10	9	-	-	19	0.23%
Prairie View A&M University	21	12	-	-	33	0.40%
Sam Houston State University	51	16	-	-	67	0.81%
Stephen F. Austin State University	67	31	-	-	98	1.19%
Tarleton State University	73	42	-	-	115	1.40%
Texas A&M International University	2	-	-	-	2	0.02%
Texas A&M University	661	194	-	-	855	10.39%
Texas A&M University - Central Texas	5	3	-	-	8	0.10%
East Texas A&M University - (Formerly Commerce)	157	47	-	-	204	2.48%
Texas A&M University - Corpus Christi	24	7	-	-	31	0.38%
Texas A&M University - Galveston	19	2	-	-	21	0.26%
Texas A&M University - Kingsville	1	-	-	-	1	0.01%
Texas A&M University - San Antonio	5	-	-	-	5	0.06%
Texas A&M University - Texarkana	10	1	-	-	11	0.13%
Texas Southern University	10	7	-	-	17	0.21%
Texas State University - San Marcos	173	71	-	-	244	2.96%
Texas Tech University	393	152	-	-	545	6.62%
Texas Woman's University	231	71	-	-	302	3.67%
The University of Texas - Rio Grande Valley	1	-	-	-	1	0.01%
The University of Texas at Arlington	243	92	-	-	335	4.07%
The University of Texas at Austin	460	130	-	-	590	7.17%
The University of Texas at Dallas	2,151	560	-	-	2,711	32.94%
The University of Texas at El Paso	2	3	-	-	5	0.06%
The University of Texas at San Antonio	27	11	-	-	38	0.46%
The University of Texas at Tyler	53	22	-	-	75	0.91%
The University of Texas of the Permian Basin	1	-	-	-	1	0.01%
University of Houston	97	26	-	-	123	1.49%
University of Houston - Clear Lake	1	-	-	-	1	0.01%
University of Houston - Downtown	3	1	-	-	4	0.05%
University of North Texas	1,331	288	-	-	1,619	19.67%
University of North Texas at Dallas	19	8	-	-	27	0.33%
West Texas A&M University	19	7	-	-	26	0.32%
Total	6,338	1,817	-	-	8,155	99.09%
Health Science Institutions						
Baylor College of Medicine	1	-	-	-	1	0.01%
Texas A&M Univ Health Science Center	14	6	-	-	20	0.24%
Texas Tech Univ Health Sciences Center	21	7	-	-	28	0.34%
Texas Tech Univ Health Sciences Center - El Paso	1	-	-	-	1	0.01%
The Univ of Texas Health Science Ctr at Houston	2	2	-	-	4	0.05%
The Univ of Texas Health Science Ctr at San Antonio	6	-	-	-	6	0.07%
The Univ of Texas MD Anderson Cancer Center	2	-	-	-	2	0.02%
The Univ of Texas Medical Branch at Galveston	1	1	-	-	2	0.02%
The University of Texas Southwestern Medical Center	-	2	-	-	2	0.02%
University of N Texas Health Science Ctr	8	1	-	-	9	0.11%
Total	56	19	-	-	75	0.91%
Grand Total	6,394	1,836	-	-	8,230	100.00%

Source: THECB-Academic Performance of 2-Year College Transfer Students

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Capital Asset Information
Last Ten Fiscal Years
(unaudited)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Academic Building Square Footage	22 1,947,338	22 1,947,338	22 1,947,338	22 1,947,338	22 1,943,305	22 1,708,744	19 1,244,952	12 1,244,952	12 1,105,585	11 1,105,585
Libraries Square Footage	7 352,108	7 352,108	7 352,108	7 352,108	7 352,108	5 334,842	3 295,429	3 295,429	3 295,429	3 295,429
Administrative and Support Buildings Square Footage*	618,729	618,729	618,729	618,729	580,429	580,429	456,649	456,649	449,314	449,314
Dining Facilities Square Footage	4 29,117	4 29,117	4 29,117	4 29,117	4 29,117	4 29,117	2 11,926	2 11,926	2 11,926	0 11,926
Athletic Facilities Square Footage	4 97,647	4 97,647	4 97,647	4 97,647	4 97,647	4 97,647	3 89,647	3 89,647	3 89,647	3 89,647
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Fitness Centers	4	4	4	4	4	4	3	3	3	3
Tennis Courts	10	10	10	10	10	10	10	10	10	10
Student Housing Facilities Square Footage	1 86,308	n/a n/a	n/a n/a	n/a n/a						
Plant Facilities Square Footage	6 45,808	6 45,808	6 45,808	6 45,808	6 45,808	6 45,808	4 20,381	4 20,381	4 20,381	4 20,381
Transportation Cars	31	27	27	30	27	29	7	7	11	11
Light Trucks/Vans	53	49	46	46	40	32	42	30	24	22

* Comprised of various buildings.

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Single Audit

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

To the Board of Trustees
Collin County Community College District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the business-type activities of Collin County Community College District (the "District"), which comprise the statement of financial position as of and for the year ended August 31, 2025, and the related statement of activities and cash flows for the year then ended, and notes to the financial statements which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 9, 2025. Our report includes a reference to other auditors who audited the financial statements of Collin County Community College Foundation (the "Foundation"), as described in our report on the District's financial statements. The financial statements of the Foundation, audited by other auditors, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial or instances of reportable noncompliance associated with the Foundation.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Compliance and Other Matters

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

To the Board of Trustees
Collin County Community College District

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whitley Penn LLP

Dallas, Texas
December 9, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE AND THE STATE OF TEXAS
GRANT MANAGEMENT STANDARDS**

To the Board of Trustees
Collin County Community College District

Report on Compliance for Each Major Federal and State Program

We have audited Collin County Community College District's (the "District") compliance with the types of compliance requirements identified as subject to audit described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended August 31, 2025. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2025.

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

To the Board of Trustees
Collin County Community College District

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Whitley Penn LLP

Dallas, Texas
December 9, 2025

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COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

Single Audit

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of Expenditures of Federal Awards
For the year ended August 31, 2025**

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	Assistance Listing Number	Expenditures			
		Direct Awards	Pass-Through Awards	Total	Subrecipient Expenditures
U.S. Department of Education					
Direct Program:					
Federal Supplemental Educational Opportunity Grants	84.007	\$ 602,068	\$ -	\$ 602,068	\$ -
Federal Work Study	84.033	536,212	-	536,212	-
Federal Pell Grant Program	84.063	43,178,724	-	43,178,724	-
Federal Direct Student Loans	84.268	16,455,566	-	16,455,566	-
Total Student Financial Assistance Cluster (ALN 84.007, 84.033, 84.063, 84.268)		<u>60,772,570</u>	<u>-</u>	<u>60,772,570</u>	<u>-</u>
Direct Program:					
Child Care Access Means Parents in School - CCAMPIS	84.335A	102,649	-	102,649	-
Pass-through from:					
Texas Workforce Commission:					
Adult Education - Basic Grants to States V002A240044	84.002A	-	760,448	760,448	-
Pass-through from:					
Texas Higher Education Coordinating Board:					
Career and Technical Education - Basic Grants to States 2442020271	84.048A	-	1,281,679	1,281,679	-
Career and Technical Education - Leadership Grants 2442020271	84.048A	-	86,427	86,427	12,485
Total ALN 84.048		<u>-</u>	<u>1,368,106</u>	<u>1,368,106</u>	<u>12,485</u>
University of Texas at Dallas:					
North Texas Semiconductor Workforce Consortium P116Z230261	84.116Z	-	104,576	104,576	-
Total U.S. Department of Education		<u>60,875,219</u>	<u>2,233,130</u>	<u>63,108,349</u>	<u>12,485</u>
U.S. Department of Commerce					
Direct Program:					
Disaster Supplemental Grant ED24AUS0G0225	11.307	1,624,418	-	1,624,418	-
Pass-through from:					
Dallas County Community College District					
Good Jobs Challenge Grant - ED22HDQ3070118	11.307	-	146,490	146,490	-
Total Economic Development Cluster ALN 11.307		<u>1,624,418</u>	<u>146,490</u>	<u>1,770,908</u>	<u>-</u>
Total U.S. Department of Commerce		<u>1,624,418</u>	<u>146,490</u>	<u>1,770,908</u>	<u>-</u>
U.S. Department of Labor					
Pass-through from:					
Texas Workforce Commission:					
FY 25 WIOA Dislocated Worker - Advance:					
Collin County Community College District in Partnership with Blount Fine Foods 23A55AW00033	17.278	-	51,758	51,758	-
College Credit for Heroes Capacity Building Federal Award Id Number AA-38558-22-55-A-48	17.278	-	23,358	23,358	-
Externship for Teachers 24A55AW000082	17.278	-	10,312	10,312	-
Total WIOA Cluster (ALN 12.278)		<u>-</u>	<u>85,428</u>	<u>85,428</u>	<u>-</u>
Total U.S. Department of Labor		<u>-</u>	<u>85,428</u>	<u>85,428</u>	<u>-</u>
U.S. Department of Transportation					
Direct Program:					
Commercial Motor Vehicle Operator Safety Training Grants	20.235	85,100	-	85,100	-
Total U.S. Department of Transportation		<u>85,100</u>	<u>-</u>	<u>85,100</u>	<u>-</u>
National Science Foundation					
Direct Program:					
Automation Robotics 2400932	47.076	162,729	-	162,729	-
Total Research and Development Cluster (ALN 47.076)		<u>162,729</u>	<u>-</u>	<u>162,729</u>	<u>-</u>
Pass-through from:					
Texas A&M University-Commerce:					
The Computer Science as a Career (CSAC) Scholarship Program 2221189	47.076	-	119,821	119,821	-
Columbus State Community College:					
National Information Technology Innovation Center 2300188	47.076	-	145,479	145,479	-
Total National Science Foundation		<u>162,729</u>	<u>265,300</u>	<u>428,029</u>	<u>-</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of Expenditures of Federal Awards**
For the year ended August 31, 2025

Federal Grantor/Cluster/Program Title/Pass-Through Grantor/Pass-Through Grantor's Award Number	Assistance Listing Number	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
U.S. Small Business Administration					
Pass-through from:					
Dallas County Community College District:					
Small Business Development Centers SBAOEDSB240124	59.037	\$ -	\$ 70,321	\$ 70,321	\$ -
Small Business Development Centers SBAOEDSB250192	59.037	-	145,001	145,001	-
Total ALN 59.037		-	215,322	215,322	-
Total U.S. Small Business Administration		-	215,322	215,322	-
U.S. Department of Health and Human Services					
Pass-through from:					
Texas Workforce Commission:					
Temporary Assistance for Needy Families 2501TXTANF	93.558	-	21,130	21,130	-
Total 477 Cluster (ALN 93.558)		-	21,130	21,130	-
Total U.S. Department of Health and Human Services		-	21,130	21,130	-
U.S. Department of Defense					
Pass-through from:					
University of Texas at Dallas:					
Energy Storage Systems Campus NEST-23-C-004	None	-	120,214	120,214	-
U.S. Department of Defense		-	120,214	120,214	-
Total Expenditures of Federal Awards		\$ 62,747,466	\$ 3,087,014	\$ 65,834,480	\$ 12,485

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Schedule of Expenditures of Federal Awards
For the year ended August 31, 2025****NOTE 1. FEDERAL ASSISTANCE RECONCILIATION**

	<u>2025</u>
Additional operating revenues - federal contracts and grants (Schedule A)	\$ 4,878,333
Add: indirect/administrative costs recoveries (Schedule A)	171,092
Add: non-operating revenues - federal contracts and grants (Schedule C)	<u>44,317,004</u>
Total federal revenues per Schedule A and C	<u>49,366,429</u>
Reconciling items:	
Add: funds passed through to others	12,485
Add: direct student loans	<u>16,455,566</u>
Total federal revenues per Schedule E	<u>\$ 65,834,480</u>

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING
THE SCHEDULE**

The expenditures included in the schedule are reported for the District's fiscal year using the accrual basis of accounting. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the District for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate funds and grants are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule. Since the District has agency approved Indirect Recovery Rate, it has elected not to use the 15% de minimis cost rate as permitted in the CFR, section 200.414(f) for grants awarded on or after October 1, 2024.

NOTE 3. AMOUNTS PASSED-THROUGH BY THE DISTRICT

The following amount was passed through to the listed subrecipient by the District. This amount was from the Texas Higher Education Coordinating Board ALN 84.048A from the Department of Education.

	<u>2025</u>
<u>DOE 2442020271:</u>	
Texas State Technical College	\$ 12,485
Total amount passed-through: DOE	<u>\$ 12,485</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Schedule of Expenditures of State Awards
For the year ended August 31, 2025**

State Grant/Pass Through Grantor/Program Title	Grantor's Award Number	Expenditures			Subrecipient Expenditures
		Direct Awards	Pass-Through Awards	Total	
Texas Workforce Commission					
Skills Development Fund - CSG Forte Payments, FlexLink Systems, Netrio, Portable Solar	0424SDF001	\$ 206,677	\$ -	\$ 206,677	\$ -
Adult Education and Literacy Service Provider	2924ALA008	\$ 36,478	\$ -	\$ 36,478	\$ -
Skills Development Fund - StatLab Medical Products, Encore Wire, & AXL	0424SDF003	288,645	\$ -	288,645	\$ -
JET Medical Assisting	0424JET001	141,295	\$ -	141,295	\$ -
Skills Development Fund - Helm Dental Laboratory	0425SDF001	52,487	\$ -	52,487	\$ -
Skills Development Fund - Amphenol, Cain Watters, Cates Control Systems and NPIC	0425SDF002	116,058	\$ -	116,058	\$ -
Total Texas Workforce Commission		841,640	\$ -	841,640	\$ -
Texas Higher Education Coordinating Board					
Nursing Shortage Reduction FY2023	28857	127,002	\$ -	127,002	\$ -
Texas Education Opportunity Grant-Initial Year	None	(427)	\$ -	(427)	\$ -
Texas Educational Opportunity Grant - Renewal 24/25	None	1,932,824	\$ -	1,932,824	\$ -
Texas Educational Opportunity Grant - Initial 24/25	None	2,021,394	\$ -	2,021,394	\$ -
Texas College Work-Study	None	83,871	\$ -	83,871	\$ -
Texas Reskilling and Upskilling through Education (TRUE)	00281	65,737	\$ -	65,737	\$ -
Texas Reskilling and Upskilling through Education (TRUE)	00345	158,386	\$ -	158,386	\$ 76,738
Texas Reskilling and Upskilling through Education (TRUE)	01483	64,826	\$ -	64,826	\$ -
Total Texas Higher Education Coordinating Board		4,453,613	\$ -	4,453,613	\$ 76,738
Pass-through from:					
Dallas County Community College District					
Small Business Development Center (SBDC) State 2024	SBAOEDSB240124	\$ -	32,032	32,032	\$ -
Small Business Development Center (SBDC) State 2025	SBAOEDSB250192	\$ -	76,722	76,722	\$ -
Total Small Business Development Center		\$ -	108,754	108,754	\$ -
Total State Financial Assistance		\$ 5,295,253	\$ 108,754	\$ 5,404,007	\$ 76,738

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**Notes to Schedule of Expenditures of State Awards
For the year ended August 31, 2025****NOTE 1. STATE ASSISTANCE RECONCILIATION**

	<u>2025</u>
Operating revenues - schedule of expenditures of state awards (Schedule A)	\$ 1,289,607
Add: non-operating revenues - state contracts and grants (Schedule C)	<u>4,037,662</u>
Total state revenues (Schedules A and C)	<u>5,327,269</u>
Reconciling items:	
Add: funds passed through to others	76,738
Total state revenues per Schedule F	<u>\$ 5,404,007</u>

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES USED IN PREPARING
THE SCHEDULE**

The accompanying schedule is presented using the accrual basis of accounting. These expenditures are reported on the District's fiscal year. Expenditure reports to funding agencies are prepared on an award period basis. The expenditures reported above represent funds that have been expended by the District for the purpose of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from the amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule.

NOTE 3. AMOUNTS PASSED-THROUGH BY THE DISTRICT

The following amounts were passed through to the listed subrecipients by the District. These amounts are provided by the State Grant Award, Texas Reskilling and Upskilling Through Education (TRUE) 2023 Grant Program Consortium, sponsored and funded by the Texas Higher Education Coordinating Board.

	<u>2025</u>
<u>TRUE- Subawards:</u>	
Tyler Junior College	\$ 67,653
Trinity Valley Community College	<u>9,085</u>
Total amount passed-through: TRUE	<u>\$ 76,738</u>

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT***SCHEDULE OF FINDINGS AND QUESTIONED COSTS******Year ended August 31, 2025*****I. Summary of Auditors' Results****Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported

Noncompliance material to financial statements noted?

No

Federal and State Awards

Internal control over major programs:

Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Uniform Grant Management Standards?	No

Identification of major programs:

Name of Federal Programs or Cluster	Assistance Listing Numbers
Student Financial Aid Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268

Name of State Programs

Texas Education Opportunity Grant – Renewal and Initial Year	N/A
--	-----

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)
Year ended August 31, 2025

I. Summary of Auditors' Results (continued)

Dollar Threshold used to Distinguish between
Type A and B Programs

Federal	\$ 1,975,034
State	\$ 750,000

Auditee qualified as a low-risk auditee

Federal	Yes
State	Yes

II. Financial Statement Findings

There are no current year findings.

III. Federal and State Award Findings and Questioned Costs

There are no current year findings and questioned costs.



Celina Campus
2505 Kinship Parkway
Celina, Texas 75009

Farmersville Campus
501 S. Collin Parkway
Farmersville, Texas 75442

Frisco Campus
9700 Wade Blvd.
Frisco, Texas 75035

McKinney Campus
2200 W. University Drive
McKinney, Texas 75071

Plano Campus
2800 E. Spring Creek Parkway
Plano, Texas 75074

Technical Campus
2550 Bending Branch Way
Allen, Texas 75013

Wylie Campus
391 Country Club Road
Wylie, Texas 75098

Collin Higher Education Center
3452 Spur 399
McKinney, Texas 75069

Courtyard Center
4800 Preston Park Blvd.
Plano, Texas 75093

Public Safety Training Center
3600 Redbud Blvd.
McKinney, Texas 75069

iCollin Virtual Campus
(administrative offices)
3452 Spur 399
McKinney, Texas 75069