Clover Park Technical College

Pierce County, Washington

A component unit of the State of Washington

2015 Comprehensive Annual Financial Report

Fiscal year ended June 30, 2015

Educating tomorrow's workforce

2015 Financial Report

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Board of Trustees and Administrative Officers

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*

Clover Park Technical College
July 1, 2014 through June 30, 2015

Board of Trustees Clover Park Technical College
Lakewood, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Clover Park Technical College, Pierce County, Washington, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated April 7, 2017. As discussed in Note 19 to the financial statements, during the year ended June 30, 2015, the College implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

The financial statements of the Clover Park Technical College, an agency of the state of Washington, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the College. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2015, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine 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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.
In addition, we noted certain matters that we have reported to the management of the College in a separate letter dated April 7, 2017.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of the College's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

Pat McCarthy
State Auditor
Olympia, WA
April 7, 2017

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Clover Park Technical College
July 1, 2014 through June 30, 2015

Board of Trustees
Clover Park Technical College
Lakewood, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Clover Park Technical College, Pierce County, Washington, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of basic of the Clover Park Technical College, as of June 30, 2015, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As discussed in Note 19 to the financial statements, in 2015, the College adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the financial statements of the Clover Park Technical College, an agency of the state of Washington, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the College. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2015, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension plan information 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 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.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated April 7, 2017 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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.

Pat McCarthy
State Auditor
Olympia, WA
April 7, 2017

Management's Discussion and Analysis

The following discussion and analysis provides an overview of the financial position and activities of Clover Park Technical College (the College) for the fiscal year ended June 30, 2015 (FY 2015).

This overview provides readers with an objective and easily readable analysis of the College's financial performance for the year, based on currently known facts and conditions. This discussion has been prepared by management and should be read in conjunction with the College's financial statements and accompanying note disclosures.

Reporting Entity

Clover Park Technical College is one of thirty public community and technical college districts in the state of Washington, providing comprehensive, open-door academic programs, workforce education, basic skills and community service educational programs to approximately 7,380 students. The College confers associates degrees, certificates and high school diplomas. A baccalaureate program was added in 2014. The College was established in 1991 and its primary purpose is to be a values-driven institution that delivers quality education, training and support focused on student success in an evolving economy.

The College's main campus is located in Lakewood, Washington, a community of about 60,000 residents. The College also has a branch campus in Puyallup, Washington. The College is governed by a five member Board of Trustees appointed by the governor of the state with the consent of the state Senate. In accordance with Washington State law governing technical colleges, the College's board includes one member from business and one member from labor. By statute, the Board of Trustees has full control of the College, except as otherwise provided by law.

Adoption of New Accounting Standards

During 2015, the College adopted GASB Statement No. 68, as amended by GASB Statement No. 71. These statements require the College to record its proportionate share of net pension liabilities, deferred outflows and inflows by restating its 2014 net position, pension liabilities and deferral of resources as a change in accounting principle. For purposes of this analysis, the restatement of the 2014 net position was made to conform to 2015 presentation. As a result, ending unrestricted net position for the College for the year ended June 30, 2014 decreased by $5,322,874. This decrease resulted in the restatement of unrestricted net position to a balance of $14,603,644 for the year ended June 30, 2015, including a prior period adjustment for land.

Using the Financial Statements

The financial statements presented in this report encompass the College's operations. The College's financial statements include the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides information about the College at a moment in time, at year-end. The Statement of Revenue, Expenses and Changes in Net Position and the Statement of Cash Flows provide information about operations and activities over a period of time. Together, these statements, along with the accompanying notes, provide a comprehensive way to assess the college's financial health as a whole.

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net position are reported under the accrual basis of accounting where all of the current year's revenues and expenses are taken into account regardless of when cash is received or payments are made. Full accrual statements are intended to provide a view of the College's financial position similar to that presented by most private-sector companies. These financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for public colleges and universities. The full scope of the College's activities is considered to be a single business-type activity and accordingly is reported within a single column in the basic financial statements.

Statement of Net Position

The Statement of Net Position provides information about the College's financial position, and presents the College's assets, liabilities, and net assets at year-end and includes all assets and liabilities of the College. A condensed comparison of the Statement of Net Position is as follows:

Condensed Statement of Net Position As of June 30th	FY 2015	FY 2014 Restated
Assets		
Current Assets	30,235,799	29,052,629
Capital Assets, net	89,646,443	87,058,697
Total Assets	119,882,242	116,111,326
Deferred outflows of resources	734,494	-
Liabilities		
Current Liabilities	7,247,714	7,696,986
Other Liabilities, non-current	15,847,674	13,761,436
Total Liabilities	23,095,388	21,458,422
Deferred inflows of resources	1,838,228	-
Net Position	95,683,120	94,652,904

Current assets consist primarily of cash, various accounts receivables and inventories. The increase from FY2014 can be attributed mainly to an increase in the state allocation and the receivable from the Office of the State Treasurer (OST).

Deferred outflows of resources totaling $734,494 are related to the net pension liability that was recorded on the College's financial statements this year.

Deferred inflows of resources related to the College's net pension liability totaled $1,838,228. Deferred inflows of resources include the calculated difference between actual and projected investment earnings on the state's pension plans.

Net position represents the value of the College's assets and deferred outflows after liabilities and deferred inflows are deducted.

Current liabilities include amounts payable to suppliers for goods and services, accrued payroll and related liabilities, the current portion of Certificate of Participation (COP) and Local Improvement District (LID) debt, deposits held for others and unearned revenue. Current liabilities can fluctuate from year to year depending on the timeliness of vendor invoices and resulting vendor payments, especially in the area of capital assets and improvements. The increase in current liabilities from FY 2014 to FY 2015 is due to the College's liability with the Office of the State Treasurer.

Non-current liabilities primarily consist of the value of vacation and sick leave earned but not yet used by employees and the long-term portions of Certificates of Participation and Local Improvement District debt.

The College is required by accounting standards to report its net position in three categories:

Net Investment in Capital Assets – The College's total investment in property, plant, equipment, and infrastructure net of accumulated depreciation and outstanding debt obligations related to those capital assets. Changes in these balances are discussed above.

Restricted:

Expendable – resources the College is legally or contractually obligated to spend in accordance with restrictions placed by donor and/or external parties who have placed time or purpose restrictions on the use of the asset. The primary expendable funds for the College are student loans, capital project funds and the 3 ½ percent fund collected from student tuition strictly for the purpose of providing supplemental financial aid.

Unrestricted – Includes all other assets not subject to externally imposed restrictions, but which may be designated or obligated for specific purposes by the Board of Trustees or management. For instance, the Board of Trustees has required that at least 90 days of operating expenses be maintained in the event of business interruption.

Condensed Net Position As of June 30th	**FY 2015**	**FY 2014 Restated**
Net Investment in Capital Assets	80,311,444	74,482,266
Restricted		
Expendable	768,032	766,030
UnRestricted	14,603,644	19,965,862
Cummulative effect of change in accounting principle		(5,322,874)
Prior Period Adjustment		4,761,620
Total Net Position	**95,683,120**	**94,652,904**

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position accounts for the College's changes in total net position during FY 2015. The objective of the statement is to present the revenues received, both operating and non-operating, and the expenses paid by the College, along with any other revenue, expenses, gains and losses of the College.

Generally, operating revenues are earned by the College in exchange for providing goods and services. Tuition and grants and contracts are included in this category. In contrast, non-operating revenues include monies the college receives from another government without directly giving equal value to that government in return. Accounting standards require that the College categorize state operating appropriations and Pell Grants as non-operating revenues.

Operating expenses are expenses incurred in the normal operation of the College, including depreciation on property and equipment assets. When operating revenues, excluding state appropriations and Pell Grants, are measured against operating expenses, the College shows an operating loss. The operating loss is reflective of the external funding necessary to keep tuition lower than the cost of the services provided.

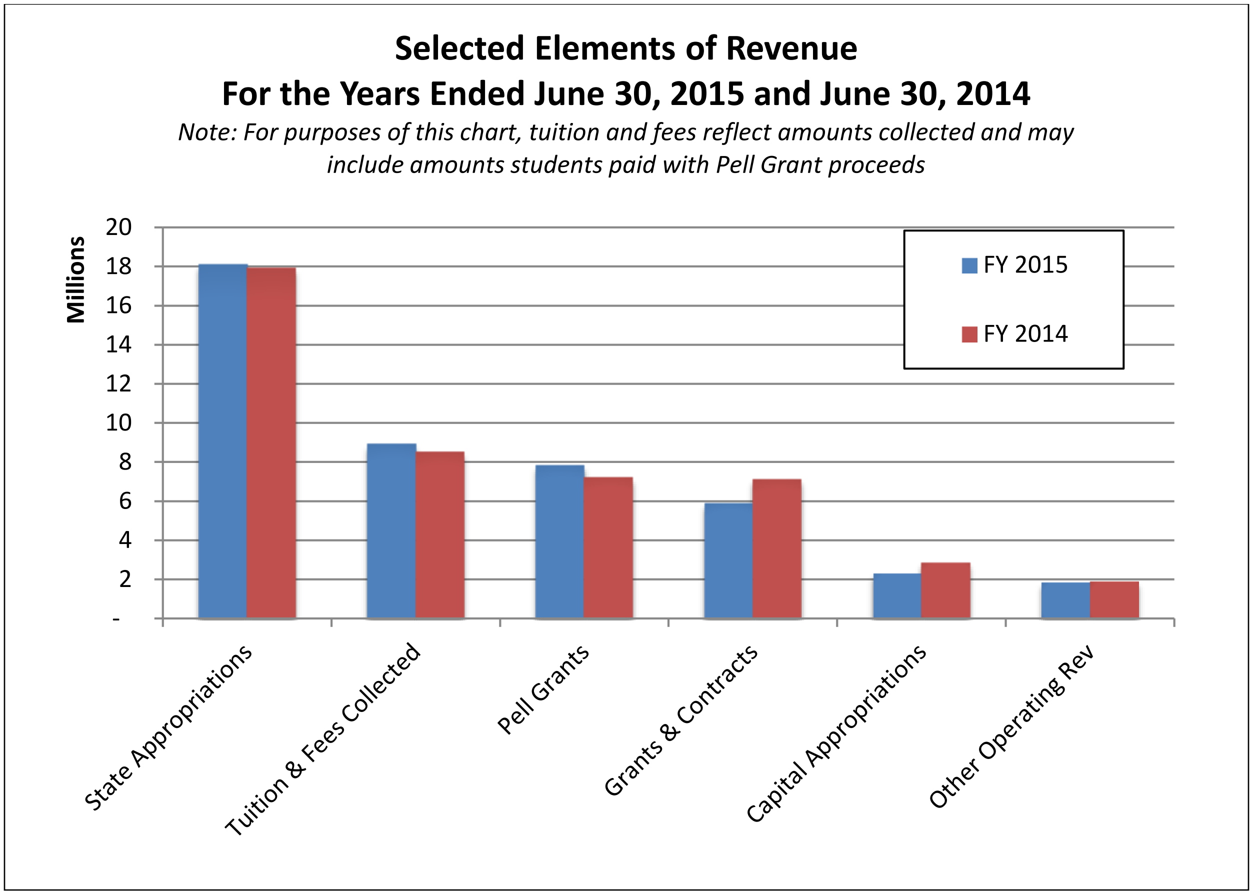
A condensed statement of revenues, expenses and changes in net position for the years ended June 30, 2015 and 2014 is presented below:

Statement of Revenue, Expenses and Changes in Net Position As of June 30th	**FY 2015**	**FY 2014 Restated**
Operating Revenues		
Tuition and Fees collected	8,914,591	8,514,604
Auxiliary Enterprise Sales	2,204,273	1,352,371
Grants and Contracts	5,865,825	7,117,410
Other Operating Revenues	1,837,295	1,887,769
Total Operating Revenues	18,821,984	18,872,154
Operating Expenses	44,157,544	42,413,983
Net Operating Loss	(25,335,560)	(23,541,829)
Non-Operating Revenues (Expenses)		
State Appropriations	18,112,735	17,928,954
Pell Grants	7,824,188	7,190,575
Building/Innovations fees	(1,374,820)	
Interest on Indebtedness	(483,080)	(494,482)
Net Non-Operating Revenues (Expenses)	24,079,023	24,625,047
Gain (Loss) Before Capital Appropriations	(1,256,537)	1,083,218
Capital Appropriations	2,286,753	2,840,200
Increase (Decrease) in Net Position	**1,030,216**	**3,923,418**
Net Position, Beginning of the Year	**94,652,904**	**91,290,740**
Restatement for prior period adjustment		4,761,620
Cummulative effect of change in accounting principal		(5,322,874)
Adjusted Net Position, beginning of year	94,652,904	90,729,486
Increase (Decrease) in Net Position	1,030,216	3,923,418
Net Position, End of the Year	**95,683,120**	**94,652,904**

Revenues

The College's state operating appropriations increased in FY 2015 by slightly more than 1%. The State of Washington appropriates funds to the community college system as a whole and then the State Board for Community and Technical Colleges (SBCTC) allocates monies to each college. System-level appropriations hit their height in FY 2009 and as of FY 2013 had been reduced by almost 24%. In FY14 and FY15, the Legislature reinstated a fraction of the previous cuts.

Over this same period, the Legislature and SBCTC instituted increases in tuition rates to partially offset the reduction in state appropriations. Enrollments decreased slightly (57 FTE) in FY 2015, however the College's tuition and fee revenue increased 2%, largely due to increases in student fees. Tuition rates did not change in FY 2015 compared with FY2014 rates. PELL grant revenue increased because award levels increased.



Expenses

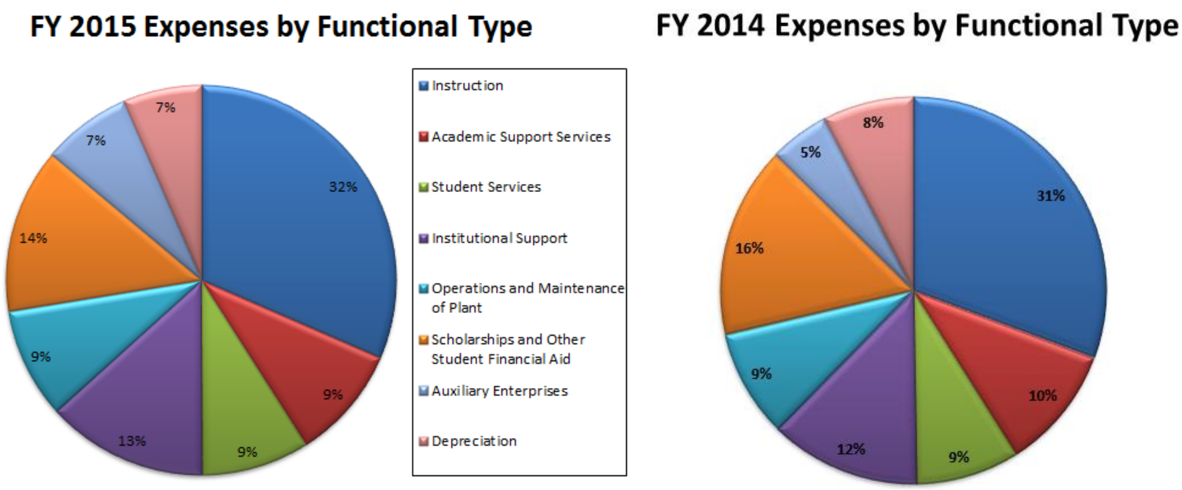
Faced with severe budget cuts over the past five years, the College has continuously sought opportunities to identify savings and efficiencies. Over time, the College decreased spending and services and was subject to various state spending freezes and employee salary reductions.

In FY 2015, salary and benefit expenses were nearly equal to FY 2014. Most categories of expense remained fairly constant from prior year levels with the exception of two large Department of Labor grants for which equipment expenses were incurred during FY 2014.

The College receives capital spending authority on a biennial basis and may carry unexpended amounts forward into one or two future biennia, depending on the original purpose of the funding. In accordance with accounting standards, the amount shown as capital appropriation revenue on the financial statement is the amount expended in the current year. Expenditures from capital project funds that do not meet accounting standards for capitalization are reported as operating expenses. Those expenditures that meet the capitalization standard are not shown as expense in the current period and are instead recognized as depreciation expense over the expected useful lifetime of the asset.

Operating Expenses by Function

The charts below show the percentage of each functional area of operating expense during FY 2015 and FY 2014 respectively:



Statement of Cash Flows

The Statement of Cash Flows gives a general picture of where the College obtains and spends its cash and cash equivalents. The statement gives detailed information about cash flows related to four different types of activities within the institution.

The first section shows cash received and spent on the operations of the college. Since tuition and fees and other operating revenue alone do not normally cover the operating costs of a public higher education institution, this section can be expected to show more cash used than provided.

The second section shows cash received and spent on non-capital financing activities of the College. Here the college reports cash from state appropriations and cash related to federally-funded Pell grants. This section also includes any activity that cannot be reported in one of the other sections.

The third section shows cash received and spent on capital and related financing activities. This includes state capital appropriations for major projects, minor works and repairs. It also includes cash proceeds, loan origination costs, interest and principal payments related to Certificates of Participation. Since colleges periodically use local funds to supplement these sources, it is not unusual for this section to show more cash used than provided.

Finally, the statement includes a detailed reconciliation of operating activity.

Capital Assets and Long-Term Debt Activities

The community and technical college system submits a single prioritized request to the Office of Financial Management and the Legislature for appropriated capital funds, which includes major projects, minor projects, repairs, emergency funds, alternative financing and major leases. The primary funding source for college capital projects is state general obligation bonds. In recent years, declining state revenues significantly reduced the state's debt capacity and are expected to continue to impact the number of new projects that can be financed.

In addition, the College has one of twenty four community college projects that were funded through a Certificate of Participation (COP) against which system–wide building fee monies were pledged.

At June 30, 2015, the College had invested $89,646,443 in capital assets, net of accumulated depreciation. This represents a slight decrease from last year's adjusted balance, as shown in the table below:

Asset Type	June 30, 2015	June 30, 2014	Change
Land	11,977,987	11,977,987	-
Contruction in Progress	995,462	-	995,462
Buildings, net	72,938,425	74,501,981	(1,563,556)
Other improvements and infrastructure, net	702,437	597,945	104,492
Equipment, net	2,941,457	2,464,794	476,663
Library Resources, net	90,675	106,528	(15,853)
Total Capital Assets, Net	**89,646,443**	**89,649,235**	**(2,792)**

The decrease in net capital assets can be attributed to depreciation expense. However, the value of property owned by the College and not previously recorded was increased by $5,327,181 in both years.

At June 30, 2015, the College had $9,704,223 in outstanding debt. The College entered into a Certificate of Participation (COP) for the Student Union Building during FY 2006. The College also owed the City of Lakewood for two Local Improvement District (LID) assessments which began in 2007.

Debt	June 30, 2015	June 30, 2014	Change
Certificates of Participation	9,335,000	9,985,000	(650,000)
Local Improvement District	369,223	406,452	(37,229)
Total	**9,704,223**	**10,391,452**	**(687,229)**

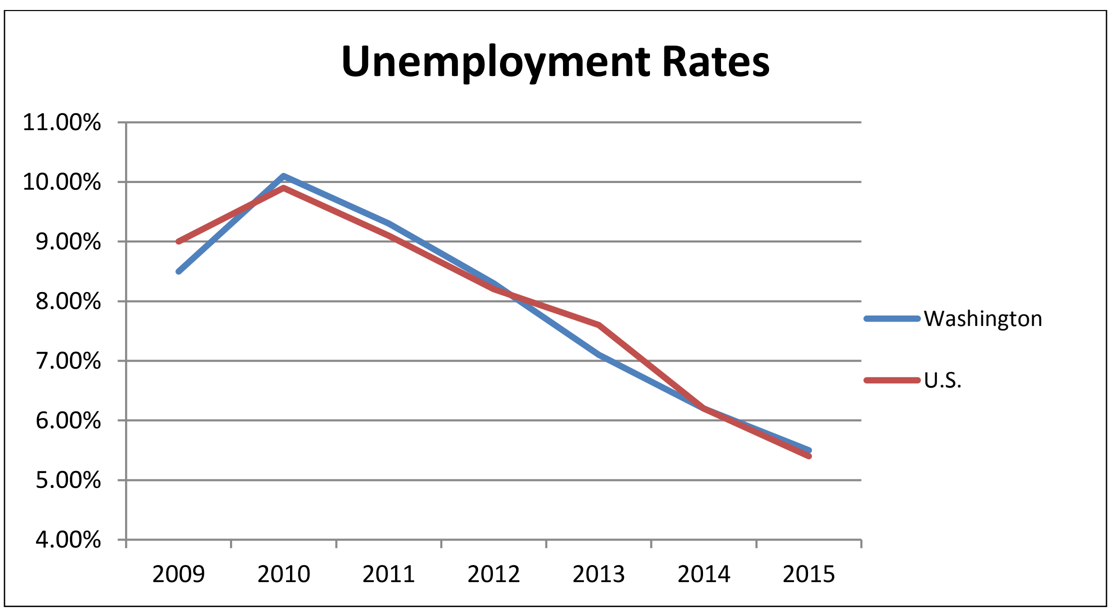
For more information, refer to notes 12 and 13 on the accompanying statements.

Economic Factors That May Affect the Future

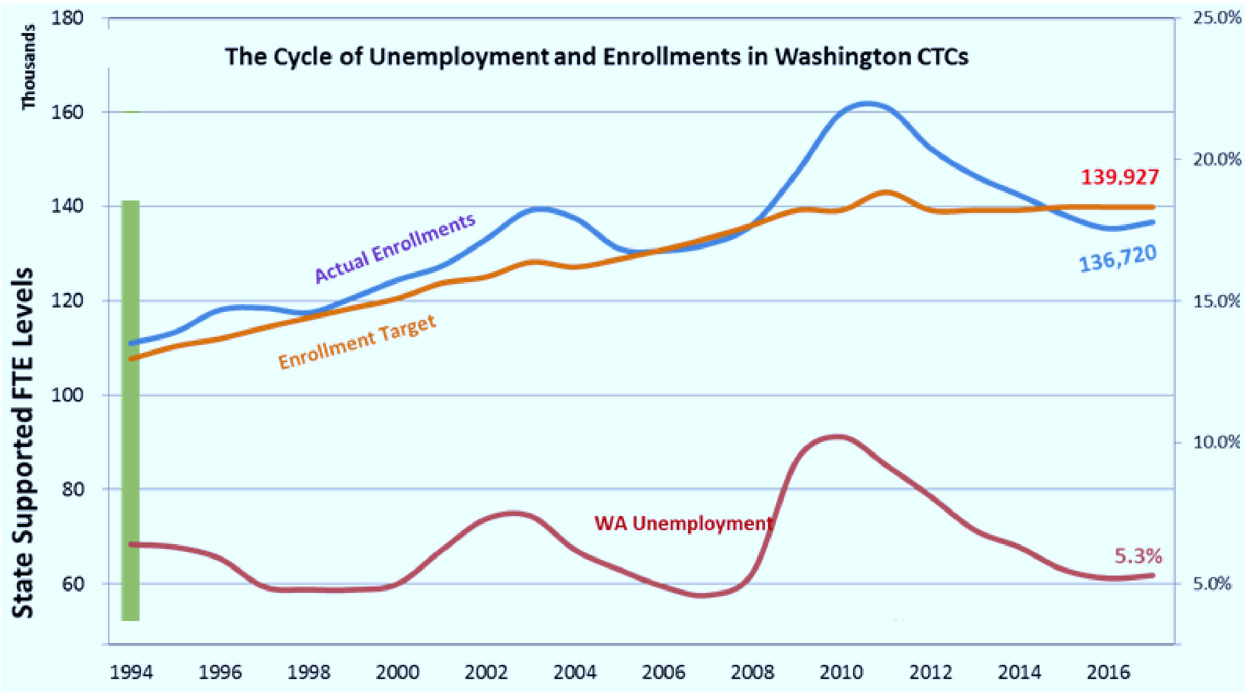
Following a trend that began in FY 2009, the College's state operating appropriation continued to decrease through FY 2013. When creating the 2013-2015 biennial budget, the state Legislature re-invested in community and technical colleges. They continued this trend with a supplemental budget that included community colleges as a key partner in an investment in aerospace training. As a result, the net reduction of community college funding between FY 2009 and expected funding levels by the end of FY 2015 will have been a little over 15 percent. These investments in community colleges allowed the Legislature to keep FY 2015 tuition flat for resident, non-resident and baccalaureate students.

Beginning in FY 2016, the Legislature enacted the Affordable Education Act, which reduced tuition by 5%. This will further reduce the amount of tuition collected by the College. However, the Legislature did provide a backfill for a portion of the loss in tuition revenue.

In FY 2017, the State Board for Community and Technical Colleges has elected to move to a new allocation model, which will change how state allocated funds will be distributed to each college. The new model will be based on performance in several key indicators from general enrollments to enrollments in high demand programs, as well as student completion and achievement points. It is unclear how much opportunity there may be for additional investments in community and technical colleges in the next few years, as the state budget writers continue to grapple with court-mandated basic education obligations. Therefore, this new allocation model may be the only significant change that could affect the College's state allocation funding.



Unemployment rate changes have been shown to be very closely linked to public 2-year college full-time equivalent enrollments. In the state's community and technical college system, enrollments have very closely lagged changes in the state's unemployment rate, as shown on this chart prepared by the state board's budget director:



College Statement of Net Position

Clover Park Technical College
Statement of Net Position
June 30, 2015

Assets		
Current Assets		
Cash and cash equivalents		24,185,427
Accounts Receivable		3,645,017
Due from Office of the State Treasurer		1,863,253
Inventories		542,102
	Total Current Assets	**30,235,799**
Non-Current Assets		
Non depreciable Capital Assets		12,973,449
Capital assets, net of depreciation		76,672,994
	Total Non-Current Assets	89,646,443
	Total Assets	**119,882,242**
Deferred Outflows of Resources		734,494
Total Deferred Outflows of Resources		**734,494**
Liabilities		
Current Liabilities		
Accounts Payable		1,272,390
Accrued Liabilities		3,067,625
Compensated absences		3,208
Deposits Payable		3,626
Unearned Revenue		2,220,865
Certificates of Participation Payable		680,000
	Total Current Liabilities	**7,247,714**
Noncurrent Liabilities		
Compensated Absences		1,768,519
Pension Liability		4,306,891
Long-term liabilities		9,772,264
	Total Non-Current Liabilities	**15,847,674**
	Total Liabilities	**23,095,388**
Deferred Inflows of Resources		1,838,228
Total Deferred Inflows of Resources		**1,838,228**
Net Position		
Net Investment in Capital Assets		80,311,444
Restricted for:		
Expendable-Institutional financial aid		768,032
Unrestricted		14,603,644
Total Net Position		**95,683,120**

(The footnote disclosures are an integral part of the financial statements.)

College Statement of Revenues, Expenses and Changes in Net Position

Clover Park Technical College
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2015

Operating Revenues	
Student tuition and fees, net	8,914,591
Auxiliary enterprise sales	2,204,273
State and local grants and contracts	4,837,253
Federal grants and contracts	1,028,572
Other operating revenues	1,836,361
Interest on past due receivables	934
Total Operating Revenue	**18,821,984**
Operating Expenses	
Salaries and wages	20,113,275
Benefits	6,139,253
Scholarships and fellowships	6,043,743
Supplies and materials	2,266,238
Depreciation	2,863,503
Purchased services	1,077,740
Utilities	1,058,989
Miscellaneous expenses	4,594,803
Total Operating Expenses	**44,157,544**
Operating Income (Loss)	**(25,335,560)**
Non-Operating Revenues (Expenses)	
State appropriations	18,112,735
Federal Pell grant revenue	7,824,188
Building fee remittance	(1,055,088)
Innovation fund remittance	(319,732)
Interest on indebtedness	(483,080)
Net Non-Operating Revenues (Expenses)	**24,079,023**
Income or (loss) before capital appropriations	**(1,256,537)**
Capital appropriations	2,286,753
Increase (Decrease) in Net Position	**1,030,216**
Net Position	
Net position, beginning of year	95,214,158
Prior Period Adjustment	4,761,620
Restatement due to GASB 68	(5,322,874)
Adjusted Net position, beginning of year	**94,652,904**
Increase (Decrease) in Net Position	1,030,216
Net position, end of year	**95,683,120**

(The footnote disclosures are an integral part of the financial statements.)

College Statement of Cash Flows

Clover Park Technical College
Statement of Cash Flows
For the Year Ended June 30, 2015

Cash flow from operating activities	
Student tuition and fees	8,585,625
Grants and contracts	5,901,915
Payments to vendors	(3,328,936)
Payments for utilities	(300,754)
Payments to employees	(20,160,056)
Payments for benefits	(6,010,029)
Auxiliary enterprise sales	2,149,551
Payments for scholarships and fellowships	(6,043,743)
Other receipts (payments)	(3,850,571)
Net Cash Used by Operating Activities	**(23,056,998)**
Cash flow from noncapital financing activities	
State appropriations	17,244,020
Pell grants	7,824,188
Building fee remittance	(1,072,153)
Innovation fund remittance	(321,567)
Net Cash Provided by Noncapital Financing Activities	**23,674,488**
Cash flow from capital and related financing activities	
Capital appropriations	2,286,753
Purchases of capital assets	(2,101,781)
Principal paid on capital debt	(670,932)
Interest paid	(483,080)
Net Cash Used by Capital and Related Financing Activities	**(969,040)**
Decrease in cash and cash equivalents	**(351,550)**
Cash and cash equivalents at the beginning of the year	**24,536,977**
Cash and cash equivalents at the end of the year	**24,185,427**
Reconciliation of Operating Loss to Net Cash used by Operating Activities	
Operating Loss	**(25,335,560)**
Adjustments to reconcile net loss to net cash used by operating activities	
Depreciation expense	2,863,503
Changes in assets and liabilities	
Receivables, net	(2,705,994)
Inventories	(50,927)
Accounts payable	(96,394)
Accrued liabilities	2,405,700
Unearned revenue	(150,176)
Compensated absences	(58,879)
Pension liability adjustment expense	87,752
Deposits payable	(16,023)
Net cash used by operating activities	**(23,056,998)**

(The footnote disclosures are an integral part of the financial statements.)

Notes to Financial Statements

June 30, 2015

These notes form an integral part of the financial statements.

1. Summary of Significant Accounting Policies

Financial Reporting Entity

Clover Park Technical College (the College) is a comprehensive technical college offering open-door academic programs, workforce education, basic skills, and community services. The College confers applied baccalaureate degrees, associates degrees, certificates and high school diplomas. It is governed by a five-member Board of Trustees appointed by the Governor and confirmed by the state Senate.

The College is an agency of the State of Washington. The financial activity of the college is included in the State's Comprehensive Annual Financial Report.

The Clover Park Technical College Foundation (the Foundation) is a separate but affiliated non-profit entity, incorporated under Washington law in 1992 and recognized as a tax exempt 501(c)(3) charity. The Foundation's charitable purpose is to build relationships with the community and acquire resources to support academic excellence and educational access at the College. Because the majority of the Foundation's income and resources are restricted by donors and may only be used for the benefit of the College or its students, the Foundation is considered a discrete component unit. A discrete component unit is an entity which is legally separate from the College, but has the potential to provide significant financial benefits to the College or whose relationship with the College is such that excluding it would cause the College's financial statements to be misleading or incomplete.

The College Foundation's financial statements are not presented in this report due to their lack of significance. Intra-entity transactions and balances between the College and the Foundation are not eliminated for financial statement presentation. During the calendar year ended December 31, 2014, the Foundation distributed $341,474 to the College for restricted and unrestricted purposes. A copy of the Foundation's complete financial statements may be obtained from the Foundation's Administrative Offices at 4500 Steilacoom Blvd SW, Lakewood, WA 98499.

Basis of Presentation

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles. For financial reporting purposes, the College is considered a special-purpose government engaged only in Business Type Activities (BTA). In accordance with BTA reporting, the College presents a Management's Discussion and Analysis; a Statement of Net Position; a Statement of Revenues, Expenses and Changes in Net Position; a Statement of Cash Flows; and Notes to the Financial Statements. The format provides a comprehensive, entity-wide perspective of the college's assets, deferred inflows, liabilities, deferred outflows, net position, revenues, expenses, changes in net position and cash flows.

Basis of Accounting
The financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred, regardless of the timing of the cash flows.

Non-exchange transactions, in which the College receives (or gives) value without directly giving (or receiving) equal value in exchange includes state and federal appropriations, and certain grants and donations. Revenues are recognized, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met, if probable of collection.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

During the course of operations, numerous transactions occur between funds for goods provided and services rendered. For the financial statements, interfund receivables and payables have generally been eliminated. However, revenues and expenses from the College's auxiliary enterprises are treated as though the College were dealing with private vendors. For all other funds, transactions that are reimbursements of expenses are recorded as reductions of expense.

Cash, Cash Equivalents and Investments
Cash and cash equivalents include cash on hand, bank demand deposits, and deposits with the Washington State Local Government Investment Pool (LGIP). Cash and cash equivalents that are held with the intent to fund College operations are classified as current assets along with operating funds invested in the LGIP. The College records all cash and cash equivalents at amortized cost, which approximates fair value.

The College combines unrestricted cash operating funds from all departments into an internal investment pool, the income from which is used to cover banking fees associated with College operations. The internal investment pool is comprised of cash and cash equivalents.

Accounts Receivable
Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. This also includes amounts due from federal, state and local governments or private sources as allowed under the terms of grants and contracts. Accounts receivable are shown net of estimated uncollectible amounts.

Inventories

Inventories, consisting of merchandise for resale in the College bookstore and materials related to the College Realistic Training Experience (RTE) programs, are valued at cost using the first in, first out (FIFO) method.

Capital Assets

In accordance with state law, capital assets constructed with state funds are owned by the State of Washington. Property titles are shown accordingly. However, responsibility for managing the assets rests with the College. As a result, the assets are included in the financial statements because excluding them would have been misleading to the reader.

Land, buildings and equipment are recorded at cost, or if acquired by gift, at fair market value at the date of the gift. Capital additions, replacements and major renovations are capitalized. The value of assets constructed includes all material direct and indirect construction costs. Any interest costs incurred are capitalized during the period of construction. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. In accordance with the state capitalization policy, all land, intangible assets and software with a unit cost of $1,000,000 or more, buildings and improvements with a unit cost of $100,000 or more, library collections with a total cost of $5,000 or more and all other assets with a unit cost of $5,000 or more are capitalized. Depreciation is computed using the straight line method over the estimated useful lives of the assets as defined by the State of Washington's Office of Financial Management. Useful lives range from 3 to 12 years for equipment, 5 to 6 years for aircraft and aircraft components and equipment, 3 to 50 years for buildings and improvements and 20 to 50 years for infrastructure and land improvements.

Unearned Revenues

Unearned revenues occur when funds have been collected prior to the end of the fiscal year but related to the subsequent fiscal year. The College has recorded summer quarter tuition and fees as unearned revenues.

Tax Exemption

The College is a tax-exempt organization under the provisions of Section 115(1) of the Internal Revenue Code and is exempt from federal income taxes on related income.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the State of Washington Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/deductions from PERS's and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent consumption of net position that is applicable to a future period. Deferred inflows of resources represent acquisition of net position that is applicable to a future period. Changes in net position liability not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources.

Net Position

The College's net position is classified as follows.

Net Investment in Capital Assets. This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted for Institutional Financial Aid. The institutional financial aid funds are established for the explicit purpose of providing institutional financial aid as prescribed by RCW 28B.15.820.

Unrestricted. These represent resources derived from student tuition and fees, and sales and services of educational departments and auxiliary enterprises.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating Revenues. This includes activities that have the characteristics of exchange transactions such as (1) student tuition and fees, net of waivers and scholarship discounts and allowances, (2) sales and services of auxiliary enterprises and (3) most federal, state and local grants and contracts which include Running Start revenue, Technical High School revenue and various grants for funding student tuition and operations.

Operating Expenses. Operating expenses include salaries, wages, fringe benefits, utilities, supplies and materials, purchased services, and depreciation.

Non-operating Revenues. This includes activities that have the characteristics of non-exchange transactions, such as gifts and contributions, Federal Pell grant revenue, state appropriations and investment income.

Non-operating Expenses. Non-operating expenses include state remittance related to the building fee and the innovation fee, along with interest incurred on the Certificate of Participation loan.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses and Changes in Net

Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other Federal, State or non-governmental programs are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance. Discounts and allowances for the year ending June 30, 2015 were $6,236,014.

State Appropriations

The state of Washington appropriates funds to the College on both an annual and biennial basis. These revenues are reported as non-operating revenues on the Statement of Revenues, Expenses, and Changes in Net Position, and recognized as such when the related expenses are incurred.

Building and Innovation Fee Remittance

Tuition collected includes amounts remitted to the Washington State Treasurer's office to be held and appropriated in future years. The Building Fee portion of tuition charged to students is an amount established by the Legislature and is subject to change annually. The fee provides funding for capital construction and projects on a system wide basis using a competitive biennial allocation process. The Building fee is remitted on the 35th day of each quarter. The Innovation Fee was established in order to fund the State Board of Community and Technical College's Strategic Technology Plan. The use of the fund is to implement new ERP software across the entire system. On a monthly basis, the colleges remit the portion of tuition collected for the Innovation Fee to the State Treasurer for allocation to the SBCTC. These remittances are non-exchange transactions reported as an expense in the non-operating and expenses section of the Statement of Revenues, Expenses and Changes in Net Position.

2. Cash and Cash Equivalents

Cash and cash equivalents include bank demand deposits, petty cash held at the College and unit shares in the Local Government Investment Pool (LGIP). The LGIP is comparable to a Rule 2a-7 money market fund recognized by the Securities and Exchange Commission (17 CFR 270.2a-7). Rule 2a-7 funds are limited to high quality obligations with limited maximum and average maturities, the effect of which is to minimize both the market and credit risk. The LGIP is an unrated investment pool.

As of June 30, 2015, the carrying amount of the College's cash and equivalents was $24,185,427 as represented in the table below:

Cash and Cash Equivalents	Amount
Petty Cash and Change Funds	8,837
Bank Demand and Time Deposits	6,246,912
Local Government Investment Pool	17,929,678
Total Cash and Cash Equivalents	**24,185,427**

Custodial Credit Risks—Deposits

Custodial credit risk for bank demand deposits is the risk that in the event of a bank failure, the College's deposits may not be returned to it. The College's demand deposits are with US Bank. All cash and equivalents, except for change funds and petty cash held by the College, are insured by the Federal Deposit Insurance Corporation (FDIC) or by collateral held by the Washington Public Deposit Protection Commission (PDPC).

3. Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. It also includes amounts due from federal, state and local governments or private sources in connection with reimbursements of allowable expenditures made according to sponsored agreements. At June 30, 2015, accounts receivable were as follows:

Accounts Receivable	Amount
Student Tuition and Fees	1,461,007
Due from Federal Government	1,104,164
Due from the Office of the State Treasurer (OST)	1,863,253
Due from Other State Agencies	485,841
Due from Other Governments	1,342,436
Auxiliary Enterprises	99,186
Other	49,201
Subtotal	6,405,087
Less Allowance for Uncollectible Accounts	(896,817)
Total Accounts Receivable	**5,508,270**

4. Inventories

Inventories, stated at cost using the first in, first out method (FIFO), consists of the following as of June 30, 2015:

Inventories	Amount
Consumable Inventories	75,483
Merchandise Inventories	466,619
Total Inventories	**542,102**

5. Capital Assets

A summary of the changes in capital assets for the year ended June 30, 2015 is presented as follows. The current year depreciation expense is $2,863,503:

Capital Assets	Beginning Balance	Additions/Transfers	Retirements/ Impairements	Ending Balance
Nondepreciable capital assets				
Land	11,977,987		-	11,977,987
Construction in progress	-	995,462		995,462
Total nondepreciable capital assets	11,977,987	995,462	-	12,973,449
Depreciable capital assets				
Buildings	99,514,537	696,197		100,210,734
Other improvements and infrastructure	618,564	125,810		744,374
Equipment	6,549,007	1,070,900	(42,248)	7,577,659
Library Resources	1,732,165	14,590		1,746,755
Subtotal depreciable capital assets	108,414,273	1,907,497	(42,248)	110,279,522
Less accumulated depreciation				
Buildings	25,012,556	2,259,753		27,272,309
Other improvements and infrastructure	20,619	21,318		41,937
Equipment	4,084,213	590,530	(38,541)	4,636,202
Library Resources	1,625,637	30,443		1,656,080
Total accumulated depreciation	30,743,025	2,902,044	(38,541)	33,606,528
Total depreciable capital assets	**77,671,248**	**(994,547)**	**(3,707)**	**76,672,994**
Capital assets, net of accumulated depreciation	**89,649,235**	**915**	**(3,707)**	**89,646,443**

6. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of equity that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The category of deferred outflow of resources reported in the statement of net position relates to pensions.

Deferred outflows on pensions are recorded when actual earnings on pension plan investments exceed projected earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the state's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. State contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of equity that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources reported by the College relate to pensions.

Deferred inflows on pensions are recorded when projected earnings on pension plan investments exceed actual earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the state's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan.

The following represent the components of the College's deferred outflows and inflows of resources as reflected on the Statement of Net Position:

	PERS 1		PERS 2/3	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual earnings of pension plan investments		338,543		1,369,247
Changes in College's proportionate share of pension liabilities			153,569	
Contributions to pension plans after measurement date	243,434		284,049	
Total	243,434	338,543	437,618	1,369,247

	TRS 1		TRS 2/3	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual earnings of pension plan investments		48,270		74,601
Changes in College's proportionate share of pension liabilities				7,567
Contributions to pension plans after measurement date	23,627		29,815	
Total	23,627	48,270	29,815	82,168

The $580,925 reported above as deferred outflows of resources represent contributions the College made subsequent to the measurement date and will be recognized as a reduction of the net pension liability for the year ended June 30, 2016.

Other amounts reported as deferred outflows and inflows of resources will be recognized in pension expense as follows:

Amortization Schedule for Deferred Inflows and Outflows								
Pension Plan	**Total to be amortized**	**Life**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
PERS 1 Deferred Inflow (Difference between expected and actual earnings)	**(338,543)**	4	**(84,636)**	**(84,636)**	**(84,636)**	**(84,636)**	-	-
PERS 2/3 Deferred Inflow (Difference between expected and actual earnings)	(1,369,246)	4	(342,312)	(342,312)	(342,312)	(342,312)	-	-
PERS 2/3 Deferred Outflow (Changes in College's proportionate share of pension liabilities)	153,569	3.5	43,877	43,877	43,877	21,938	-	-
Total PERS 2/3 Amortization	**(1,215,677)**		**(298,435)**	**(298,435)**	**(298,435)**	**(320,373)**	-	
TRS 1 Deferred Inflow (Difference between expected and actual earnings)	**(48,270)**	4	**(12,068)**	**(12,068)**	**(12,068)**	**(12,068)**	-	-
TRS 2/3 Deferred Inflow (Difference between expected and actual earnings)	(74,602)	4	(18,650)	(18,650)	(18,650)	(18,650)		
TRS 2/3 Deferred Inflow (Changes in College's proportionate share of pension liabilities)	(7,567)	4.6	(1,645)	(1,645)	(1,645)	(1,645)	(987)	-
Total TRS 2/3 Amortization	**(82,168)**		**(20,295)**	**(20,295)**	**(20,295)**	**(20,295)**	**(987)**	-

Deferred inflows are amortized by reducing pension expense and deferred outflows increase pension expense. Therefore the deferred inflows are listed as negative amounts.

7. Accounts Payable and Accrued Liabilities

At June 30, 2015, accrued liabilities are as follows:

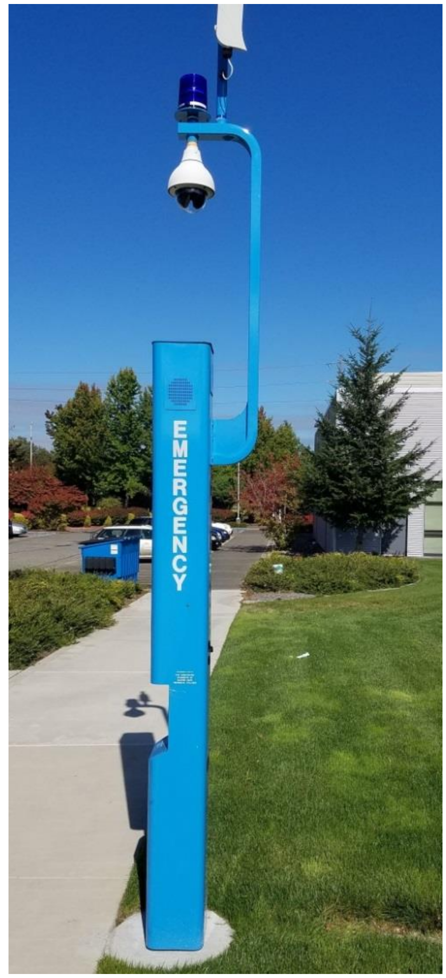
Accounts Payable and Accrued Liabilities		**Amount**
Amounts owed to Employees	$	1,015,711
Accounts Payable	$	1,347,523
Amounts Held for Others and Retainage	$	1,976,781
Total Accounts Payable and Accrued Liabilities	**$**	**4,340,015**

8. Unearned Revenue

Unearned revenue is comprised of receipts which have not yet met revenue recognition criteria, as follows:

Unearned Revenue		**Amount**
Summer Quarter Tuition & Fees	$	2,220,865
Total Unearned Revenue	**$**	**2,220,865**

9. Risk Management



The College, in accordance with state policy, pays unemployment claims on a pay-as-you-go basis. Payments made for claims from July 1, 2014 through June 30, 2015, were $64,754.

The College purchases commercial property insurance through the master property program administered by the Department of Enterprise Services for buildings that were acquired with COP proceeds. The policy has a deductible of $250,000 per occurrence and the policy limit is $100,000,000 per occurrence. The college has had no claims in excess of the coverage amount within the past three years. The College assumes its potential property losses for most other buildings and contents.

The College participates in a State of Washington risk management self-insurance program, which covers its exposure to tort, general damage and vehicle claims. Premiums paid to the State are based on actuarially determined projections and include allowances for payments of both outstanding and current liabilities. Coverage is provided up to $10,000,000 for each claim with no deductible. The college has had no claims in excess of the coverage amount within the past three years.

10. Compensated Absences

At termination of employment, employees may receive cash payments for all accumulated vacation and compensatory time. Employees who retire get 25% of the value of their accumulated sick leave credited to a Voluntary Employees' Beneficiary Association (VEBA) account, which can be used for future medical expenses and insurance purposes. The amounts of unpaid vacation and compensatory time accumulated by College employees are accrued when incurred. The sick leave liability is recorded as an actuarial estimate of one-fourth the total balance on the payroll records. Accrued vacation leave totaled $834,116, accrued sick leave totaled $934,403, and accrued compensatory time totaled $3,208 at June 30, 2015.

Accrued annual and sick leave are categorized as non-current liabilities. Compensatory time is categorized as a current liability since it must be used before other leave.

11. Notes Payable

In June 2006, the College obtained financing in order to construct the Associated Student Government Building and Conference Center through Certificates of Participation (COP), issued by the Washington Office of State Treasurer (OST) in the amount of $14,370,000. Students assessed themselves, on a quarterly basis, a mandatory fee to service the debt starting in 2006. The interest rate charged was 4.76%.

Student fees related to the COP are accounted for in dedicated funds, which are used to pay principal and interest; not coming out of the general operating budget.

The College's debt service requirements for the note agreement for the next five years and thereafter are shown in note 12 below.

12. Annual Debt Service Requirements

Future debt service requirements at June 30, 2015 for the next five years and thereafter are as follows:

Annual Debt Service Requirements
Certificates of Participation

Fiscal year	Principal	Interest	Total
2016	680,000	419,039	1,099,039
2017	705,000	390,139	1,095,139
2018	735,000	359,824	1,094,824
2019	770,000	327,668	1,097,668
2020	805,000	275,675	1,080,675
2021-2025	4,590,000	762,956	5,352,956
2026-2029	1,050,000	48,563	1,098,563
Total	**9,335,000**	**2,583,864**	**11,918,864**

Annual Debt Service Requirements
Local Improvement District

Fiscal year	Principal #1	Principal #2	Total Principal	Interest #1	Interest #2	Total Interest	Total
2016	28,355	8,874	37,229	14,445	4,570	19,015	56,244
2017	28,355	8,874	37,229	12,985	4,113	17,098	54,326
2018	28,355	8,874	37,229	11,524	3,656	15,180	52,409
2019	28,355	8,874	37,229	10,064	3,199	13,263	50,492
2020	28,355	8,874	37,229	8,604	2,742	11,346	48,574
2021-2024	138,712	44,369	183,080	21,116	6,855	27,970	211,051
Total	**280,486**	**88,738**	**369,223**	**78,738**	**25,135**	**103,873**	**473,096**

13. Schedule of Long Term Liabilities

The College was assessed Local Improvement District (LID) charges by the City of Lakewood in 2007 for $510,386.19 and in 2008 for $159,727.66, both at an original interest rate of 5.15%. There is an annual payment schedule for these assessments.

Schedule of Long Term Liabilities	Balance outstanding 6/30/14	Additions	Reductions	Balance outstanding 6/30/15	Current Portion
Compensated Absences	1,831,074	867,699	(927,046)	1,771,727	3,208
Net Pension liability				4,306,891	
Certificates of Participation	9,985,000	-	(650,000)	9,335,000	680,000
Local Improvement District #1	308,840		(28,355)	280,486	42,800
Local Improvement District #2	97,611		(8,874)	88,738	13,444
Pollution remediation		804,284		804,284	
Total	**12,222,526**	**1,671,983**	**(1,614,275)**	**16,587,125**	**739,452**

14. Pension Plans

The College offers three contributory pension plans. The Washington State Public Employees Retirement System (PERS) and Teachers Retirement System (TRS) plans are cost sharing multiple employer defined benefit pension plans administered by the State of Washington Department of Retirement Services. The State Board Retirement Plan (SBRP) is a multiple employer defined contribution plan for the faculty and exempt administrative and professional staff of the state's public community and technical colleges. The plan includes supplemental payment(s), when required. The plan is administered by the State Board for Community and Technical Colleges (SBCTC).

For FY 2015, the payroll for the College's employees was $5,874,970 for PERS, $418,550 for TRS, and $11,568,442 for SBRP. Total covered payroll was $17,861,962.

Clover Park Technical College has implemented Government Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions* for FY 2015 financial reporting. The College's defined benefit plans were created by statutes rather than through trust documents. With the exception of the supplemental defined benefit component of the higher education retirement plan, they are administered in a way equivalent to pension trust arrangements as defined by GASB 68.

In accordance with GASB 68, the College has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities to align with the State of Washington Comprehensive Annual Financial Report (CAFR).

Basis of Accounting

Pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all plans and additions to/deductions from all plan fiduciary net position have been determined in all material respects on the same basis as they are reported by the plans.

The following table represents the aggregate pension amounts for all plans subject to the requirements of GASB 68 for Clover Park Technical College for the reported year ending June 30, 2015:

Aggregate Pension Amounts-All plans	
Pension liabilities	(4,306,891)
Deferred outflows of resources related to pensions	734,494
Deferred inflows of resources related to pensions	(1,838,228)
Pension expense/expenditures	(682,917)

Department of Retirement Systems

As established in chapter 41.50 of the Revised Code of Washington (RCW), the Department of Retirement Systems (DRS) administers eight retirement systems covering eligible employees of the state and local governments. The Governor appoints the director of DRS.

The DRS administered systems that the College offers its employees are comprised of four defined benefit pension plans and two defined benefit/defined contribution plans. Below are the DRS plans that the College offers its employees:

Public Employees Retirement System (PERS)	Teachers' Retirement System (TRS)
Plan 1-defined benefit	Plan 1-defined benefit
Plan 2-defined benefit	Plan 2-defined benefit
Plan 3-defined benefit/defined contribution	Plan 3-defined benefit/defined contribution

Although some assets of the plans are comingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

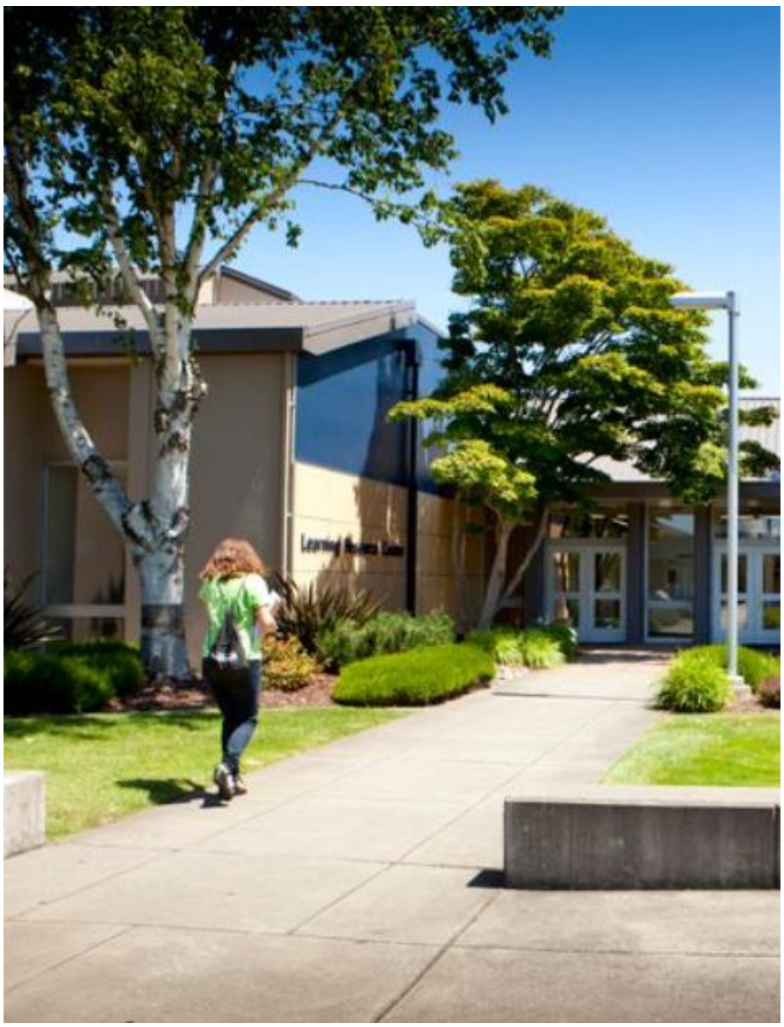
The DRS prepares a stand-alone financial report that is compliant with the requirements of Statement 67 of the Governmental Accounting Standards Board. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or online at http://www.drs.wa.gov/administration/annual-report/.

Retirement Plans

PERS and TRS

Plan Descriptions. PERS Plan 1 provides retirement and disability benefits and minimum benefit increases to eligible nonacademic plan members hired prior to October 1, 1977. PERS Plans 2 and 3 provide retirement and disability benefits and a cost-of-living adjustment to eligible nonacademic plan members hired on or after October 1, 1977. Retirement benefits for Plans 1 and 2 are vested after five years of eligible service. PERS Plan 3 has a defined contribution component that members may elect to self-direct as established by the Employee Retirement Benefits Board. PERS 3 defined benefit plan benefits are vested after an employee completes ten years of eligible service.

TRS Plan 3 provides retirement benefits to certain eligible faculty hired on or after July 1, 1996. The plan includes both a defined benefit portion and a defined contribution portion. The defined benefit portion is funded by employer contributions only. Benefits are vested after an employee completes five or ten years of eligible service, depending on the employee's age and service credit, and include an annual cost-of living adjustment. The defined contribution component is fully funded by employee contributions and investment performance.



The college also has 3 employees with pre-existing eligibility who continue to participate in TRS 2.

The authority to establish and amend benefit provisions resides with the legislature. PERS and TRS issue publicly available financial reports that include financial statements and required supplementary information.

The report may be obtained by writing to the Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or online at http://www.drs.wa.gov/administration

Funding Policy. Each biennium, the state Pension Funding Council adopts PERS and TRS Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for PERS and TRS Plans 1 are established by statute. By statute, PERS 3 and TRS 3 employees may select among six contribution rate options, ranging from 5 to 15 percent.

The required contribution rates expressed as a percentage of current year covered payroll are shown in the table below. The College and the employees made 100% of required contributions.

Contribution Rates and Required Contributions. The College's contribution rates and required contributions for the above retirement plans for the years ending June 30, 2013, 2014, and 2015 were as follows:

Contribution Rates at June 30

	FY 2013		FY 2014		FY 2015	
	Employee	College	Employee	College	Employee	College
PERS						
Plan 1	6.00%	7.21%	6.00%	9.21%	6.00%	9.21%
Plan 2	4.64%	7.21%	4.92%	9.21%	4.92%	9.21%
Plan 3	5-15%	7.21%	5-15%	9.21%	5-15%	9.21%
TRS						
Plan 1	6.00%	8.05%	6.00%	10.39%	6.00%	10.39%
Plan 2	4.69%	8.05%	4.69%	10.39%	4.96%	10.39%
Plan 3	5-15%	8.05%	5-15%	10.39%	5-15%	10.39%

The College's actual retirement contributions to the above plans for the fiscal years ended June 30, 2013, 2014 and 2015 were:

Required Contributions

	FY 2013		FY 2014		FY 2015	
	Employee	College	Employee	College	Employee	College
PERS						
Plan 1	11,206	13,466	11,290	18,859	10,232	15,706
Plan 2	181,686	282,326	211,675	394,871	212,787	397,583
Plan 3	64,692	73,925	72,255	106,688	83,400	123,629
TRS						
Plan 1	-	-	-	-	-	-
Plan 2	13,017	22,368	12,140	24,584	10,158	22,569
Plan 3	7,954	6,558	7,413	7,415	9,858	9,442

Investments

The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages the pension trust fund portfolio to maximize return at a prudent level of risk.

Most retirement funds are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation

Policy and a series of written WSIB adopted investment policies for the various asset classes in which the WSIB invests.

For the year ended June 30, 2014, the annual money-weighted rate of return on the pension investments, net of pension plan expenses were as follows:

Pension Plan	Rate of Return
PERS Plan 1	16.98%
PERS Plan 2/3	17.06%
TRS Plan 1	16.97%
TRS Plan 2/3	17.07%

This money-weighted rate of return expresses investment performance, net of pension plan investment expense, and reflects both the size and timing of cash flows.

The target asset allocation and long-term expected real rate of return for the PERS and TRS plans as of June 30, 2014 are summarized below:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	20.0%	0.80%
Tangible Assets	5.0%	4.10%
Real Estate	15.0%	5.30%
Global Equity	37.0%	6.05%
Private Equity	23.0%	9.05%

The inflation component used to create the above table is 2.70 percent, and represents WSIB's most recent long-term estimate of broad economic inflation.

Pension Expense

Pension expense is included as part of "Employee Benefits" expense in the statement of revenues, expenses and changes in net position. The table below shows the components of each pension plans expense as it affected employee benefits:

	PERS 1	PERS 2/3	TRS 1	TRS 2/3	Total
Actuarially determined pension expense	146,778	207,274	12,608	21,830	388,490
Amortization of change in proportionate liability	243,430	43,877	(5,475)	(1,645)	280,187
Total Pension Expense	$ 390,208	$ 251,151	$ 7,133	$ 20,185	$ 668,677

Changes in Proportionate Share of Pension Liabilities

The changes to the College's proportionate share of pension liabilities from 2013 to 2014 for each retirement plan are listed below:

Year ended June 30	2013	2014	change
PERS 1	0.049578%	0.053744%	0.004166%
PERS 2/3	0.059280%	0.063904%	0.004624%
TRS 1	0.009488%	0.009333%	-0.000155%
TRS 2/3	0.010905%	0.010065%	-0.000840%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2013, with the results rolled forward to June 30, 2014, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	3.0%
Salary Increases	3.75%
Investment rate of return	7.50%

Mortality rates were based on the RP-2000 Combined Healthy Table and Combined Disabled Table published by the Society of Actuaries. The Office of the State Actuary applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetime.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of the 2007-2012 Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2013 Actuarial Valuation Report.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. To determine the discount rate an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contributions rate requirements.

Consistent with the long-term expected rate of return, a 7.50 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue to be made at contractually required rates.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the College, calculated using the discount rate of 7.50 percent as well as what the College's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate:

Pension Plan	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
PERS Plan 1	3,337,110	2,707,379	2,166,817
PERS Plan 2/3	5,388,085	1,291,731	(1,837,122)
TRS Plan 1	354,239	275,273	207,491
TRS Plan 2/3	282,568	32,509	(153,360)

State Board Retirement Plan

Plan Description. Faculty and exempt administrative and professional staff are eligible to participate in the SBRP. The Teacher's Insurance and Annuity Association (TIAA) and the College Retirement Equities Fund (CREF) are the companion organizations through which individual retirement annuities are purchased. Participants are at all times 100% vested in their accumulations under the Plan.

TIAA-CREF benefits are payable upon termination at the member's option unless the participant is re-employed in another institution which participates in TIAA-CREF.

The Plan has a supplemental payment component that guarantees a minimum retirement benefit goal based upon a one-time calculation at each employee's retirement date. The SBCTC makes direct payments on behalf of the College to qualifying retirees when the retirement benefit provided by TIAA-CREF does not meet the benefit goal. Employees are eligible for a non-reduced supplemental payment after the age of 65 with ten years of full-time service.

The minimum retirement benefit goal is 2% of the average annual salary for each year of full-time service up to a maximum of 25 years. However, if the participant does not elect to make the 10% TIAA-CREF contribution after age 49, the benefit goal is 1.5% for each year of full-time service for those years the lower contribution rate is selected.

The State Board for Community and Technical Colleges is authorized to amend benefit provisions under RCW 28B.10.400. In 2011, the plan was amended to eliminate the supplemental benefit provisions for all employees hired after June 30, 2011.

Contributions. Contribution rates for the SBRP (TIAA-CREF), which are based upon age, are 5%, 7.5% or 10% of salary and are matched by the College. Employee and employer contributions for the year ended June 30, 2015 were $1,004,947 for employer and $1,001,283 for employees.

The SBRP supplemental pension benefits are unfunded. For the year ended June 30, 2015, supplemental benefits were paid by the SBCTC on behalf of the system as a total in the amount of $583,625. In 2012, legislation (RCW 28B.10.423) was passed requiring colleges to pay into a Supplemental Benefit Fund managed by the State Investment Board, for the purpose of funding future benefit obligations. During FY 2015, the College paid into this fund at a rate of 0.5% of covered salaries, totaling $57,330. As of June 30, 2015, the Community and Technical College system accounted for $7,729,471 of the fund balance.

Washington State Deferred Compensation Program

The College, through the state of Washington, offers its employees a deferred compensation plan created under Internal Revenue Code Section 457. The plan, available to all State employees, permits individuals to defer a portion of their salary until future years. The state of Washington administers the plan on behalf of the College's employees. The deferred compensation is not available to employees until termination, retirement or unforeseeable financial emergency. The College does not have access to the funds.

Other Post-Employment Benefits

Health care and life insurance programs for employees of the state of Washington are administered by the Washington State Health Care Authority (HCA). The HCA calculates the premium amounts each year that are sufficient to fund the statewide health and life insurance programs on a pay-as-you-go basis. These costs are passed through to individual state agencies based upon active employee headcount. Agencies then pay the premiums for active employees to the HCA. Agencies may also charge employees for certain higher cost options elected by each employee.

State of Washington retirees may elect coverage through state health and life insurance plans, for which they pay less than the full cost of the benefits, based upon their age and other demographic factors. The health care premiums for active employees, which are paid by the agency during the employees' working careers, subsidize the "underpayments" of retirees. An additional factor in the Other Post-Employment Benefits (OPEB) obligation is a payment that is required by the State Legislature to reduce the premiums for retirees covered by Medicare (an "explicit" subsidy). This explicit subsidy is also passed through to state agencies via active employee rates charged to the agency. There is no formal state or college plan that underlies the subsidy of retiree health and life insurance.

The actuary allocated the statewide disclosure information to the community and technical college at the system level. The SBCTC further allocated these amounts among the colleges. The College's share of the resulting actuarially accrued liability (AAL) is $12,629,638, with an annual required contribution (ARC) of $1,234,082. The ARC represents the amortization of the liability for the fiscal year 2015 plus the current expense for active employees, which is reduced by the current contributions of approximately $155,153. The College's net OPEB obligation (NOO) at June 30, 2015 was approximately $1,828,578. This amount is not included in the College's financial statements.

The College paid $2,695,388 for healthcare expenses in 2015, which included its pay-as-you-go portion of the OPEB liability.

15. Related Parties

A separately chartered legal entity whose activities are related to those of the College exists primarily to provide support to the College and its educational programs. The activities of this entity are not included in the College's financial statements. However, the College's financial statements may include transactions between the College and them.

In accordance with Governmental Accounting Standards Board Codification Sections 2100, Defining the Financial Reporting Entity, and Section 2600, Reporting Entity and Component Unit Presentation and Disclosure, management annually reviews its relationship with the related party described in this note. The College excluded this related party from the reporting entity because it is not financially accountable for them.

Following is a more detailed discussion of this entity and a summary of significant transactions (if any) between the entity and Clover Park Technical College.

INVISTA Performance Solutions

INVISTA Performance Solutions (IPS) is a joint venture, with equity interest, and no binding future commitments of three Pierce County Community Colleges: Clover Park Technical College, Pierce College District, and Tacoma Community College.

Launched in September 2011, IPS, a partnership of colleges, operates as a single point of contact for regional business to access workforce development services. Their mission is to help companies gain a competitive advantage in the global economy by increasing the skills of their workforce. They offer high quality training and learning solutions to meet and exceed client expectations.

IPS is also a member of Global Corporate College and actively works with 45 colleges across the United States and internationally to serve companies with an expanded footprint. IPS has a successful history of delivering high-quality facilitation, coaching, courses, and seminars that are personalized to the performance goals of each business they serve.

The college currently has a lease agreement in place with IPS. IPS agrees to pay the college for monthly rent, custodial costs, parking and security in the amount of $5,478. IPS also agrees to reimburse the college for actual costs associated with IT support, copier leases, photocopying charges and telephone service.

16. Operating Expenses by Program

In the Statement of Revenues, Expenses and Changes in Net Position, operating expenses are displayed by natural classifications such as salaries, benefits, and supplies. The table below summarizes operating expenses by program or function such as instruction, research, and academic support:

Expenses by Functional Classification	Amount
Instruction	13,916,865
Academic Support Services	4,179,044
Student Services	3,955,476
Institutional Support	5,895,787
Operations and Maintenance of Plant	4,040,493
Scholarships and Other Student Financial Aid	6,043,743
Auxiliary Enterprises	3,262,633
Depreciation	2,863,503
Total operating expenses	44,157,544

17. Commitments and Contingencies

As of the end of fiscal year 2015, the College has capital project commitments of $1,083,869 to various contractors.

There is a class action lawsuit, Moore v. HCA, filed against the State of Washington on behalf of former part-time and non-permanent employees alleging improper denial of healthcare benefits. Although the College has not been named as a defendant in the lawsuit, some of the class members are current or former employees of the College. Potentially, the state could assess the College with a material share of any amount paid in the event of a settlement or judgment. As of the end of fiscal year 2015, the parties have reached a settlement agreement with the plaintiffs to settle all matters relating to this and related lawsuits. Final settlement is contingent on a) funding of the settlement by the legislature and b) final approval by the trial court if funding is provided. As such, the amount of loss cannot be reasonably estimated at this time.

Additionally, the College is engaged in various legal actions in the ordinary course of business. Management does not believe the ultimate outcome of these actions will have a material adverse effect on the financial statements.

18. Subsequent Events

The College learned in FY 2015 that the buildings acquired in the FY 2012 land swap with the Clover Park School District contained significant amounts of hazmat materials which would ultimately be removed in FY 2016 at a cost of approximately $804,284.

On March 29th 2016, the legislature passed the supplemental budget which included an appropriation to fund the settlement for the Moore v. HCA lawsuit. SBCTC's portion of this obligation is $32 million of which $19 million is funded by the legislature and the remaining $13 million will be allocated among 34 colleges in the system. At this time, Clover Park Technical College's share of this lawsuit will be $42,776.

19. New Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which improves accounting and financial reporting by state and local governments for pensions. This statement also supersedes GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as GASB Statement No. 50, *Pension Disclosures*. GASB 68 is effective for fiscal years beginning after June 15, 2014. The College has implemented this pronouncement during the 2015 fiscal year. Implementation of this pronouncement has required a restatement of the prior year net position to reflect the net pension liability and the impact to net position.

The Governmental Accounting Standards Board issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective for the year ended June 30, 2015. This statement addresses an issue regarding application of the transition provisions of GASB 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The effect of Statement No. 71 to the College is to require the deferral (Deferred Outflows) of pension contributions made subsequent to the measurement date and is addressed in Note 6 to the financial statements. As a result, ending unrestricted net position for the College for the year ended June 30, 2014 decreased by $5,322,874. This decrease resulted in the restatement of unrestricted net position to a balance of $89,891,284 for the year ended June 30, 2014, prior to any other adjustments.

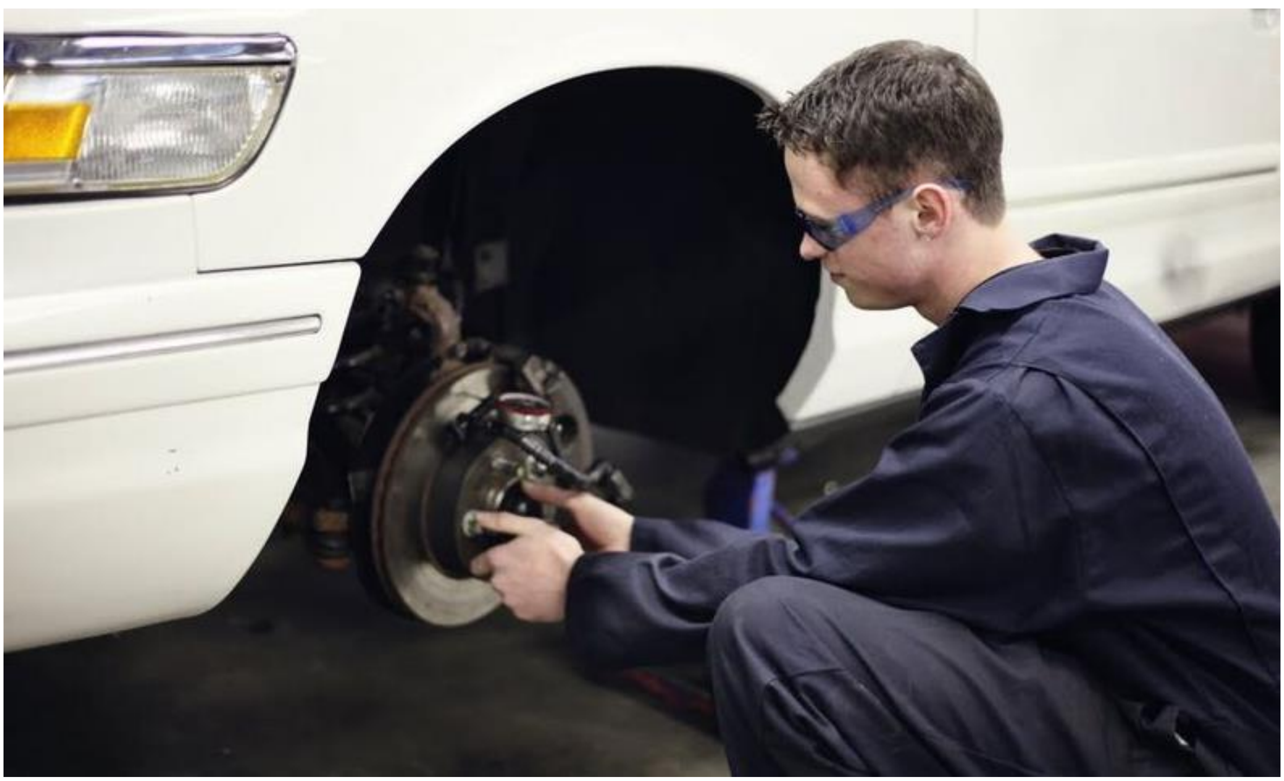
The effect to beginning net position for these implementations and adjustments are summarized in Note 20.

20. Prior Year Adjustments

Beginning net position was restated by $561,254 in FY 2015 as a result of implementing GASB 68, Accounting and Financial Reporting for Pensions. An additional adjustment was made to increase net position for the value of land not recorded in the prior year.

The following is a summary of the restatement for adoption of GASB No. 68, Net Pension Liability and the additional prior year adjustment, recorded during fiscal year 2015:

Description	June 30, 2014 as originally stated	Net Pension liability and Prior year adjustment	June 30, 2014 as restated
Net investment in capital assets	74,482,266	5,327,181	79,809,447
Restricted for expendable purposes:			-
Institutional financial aid	766,030		766,030
Unrestricted	19,965,862	(5,888,435)	14,077,427
Total Net Position	95,214,158		94,652,904



Required Supplementary Information

Pension Plan Information

Cost Sharing Employer Plans

Schedules of Clover Park Technical College's Proportionate Share of the Net Pension Liability:

Schedule of Clover Park Technical College's Proportionate Share of the Net Pension Liability Public Employees' Retirement System (PERS) Plan 1 Measurement Date of June 30*		
		2014
College proportion of the net pension liability		0.053744%
College proportionate share of the net pension liability	$	2,707,379
College covered-employee payroll	$	5,681,919
College proportionate share of the net pension liability as a percentage of its covered-employee payroll		47.65%
Plan's fiduciary net position as a percentage of the total liability		61.19%
*As of June 30; this schedule is to be built prospectively until it contains ten years of data.		

Schedule of Clover Park Technical College's Proportionate Share of the Net Pension Liability Public Employees' Retirement System (PERS) Plan 2/3 Measurement Date of June 30*		
		2014
College proportion of the net pension liability		0.063904%
College proportionate share of the net pension liability	$	1,291,731
College covered-employee payroll	$	5,478,784
College proportionate share of the net pension liability as a percentage of its covered-employee payroll		23.58%
Plan's fiduciary net position as a percentage of the total liability		93.29%
*As of June 30; this schedule is to be built prospectively until it contains ten years of data.		

Cost Sharing Employer Plans

Schedules of Clover Park Technical College's Proportionate Share of the Net Pension Liability:

Schedule of Clover Park Technical College's Proportionate Share of the Net Pension Liability Teachers Retirement System (TRS) Plan 1 Measurement Date of June 30*		
		2014
College proportion of the net pension liability		0.009333%
College proportionate share of the net pension liability	$	275,272
College covered-employee payroll	$	444,608
College proportionate share of the net pension liability as a percentage of its covered-employee payroll		61.91%
Plan's fiduciary net position as a percentage of the total liability		68.77%
*As of June 30; this schedule is to be built prospectively until it contains ten years of data.		

Schedule of Clover Park Technical College's Proportionate Share of the Net Pension Liability Teachers Retirement System (TRS) Plan 2/3 Measurement Date of June 30*		
		2014
College proportion of the net pension liability		0.010065%
College proportionate share of the net pension liability	$	32,509
College covered-employee payroll	$	444,608
College proportionate share of the net pension liability as a percentage of its covered-employee payroll		7.31%
Plan's fiduciary net position as a percentage of the total liability		96.81%
*As of June 30; this schedule is to be built prospectively until it contains ten years of data.		

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 1 Fiscal Year Ended June 30*					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a pecentage of covered-employee payroll
2014	$ 237,494	$ 237,886	$ (392)	$ 5,681,919	4.19%
2015	$ 241,893	$ 242,287	$ (393)	$ 5,832,883	4.15%
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					

*As of June 30; this schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 2/3 Fiscal Year Ended June 30*					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a pecentage of covered-employee payroll
2014	$ 275,583	$ 269,955	$ 5,628	$ 5,478,784	4.93%
2015	$ 284,816	$ 284,275	$ 541	$ 5,662,352	5.02%
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					

*As of June 30; this schedule is to be built prospectively until it contains ten years of data.

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Teachers Retirement System (TRS) Plan 1 Fiscal Year Ended June 30*					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a pecentage of covered-employee payroll
2014	$ 19,918	$ 18,456	$ 1,462	$ 444,608	4.15%
2015	$ 23,623	$ 23,837	$ (214)	$ 527,297	4.52%
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					

*As of June 30; this schedule is to be built prospectively until it contains ten years of data.

Schedule of Contributions Teachers Retirement System (TRS) Plan 2/3 Fiscal Year Ended June 30*					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a pecentage of covered-employee payroll
2014	$ 25,476	$ 24,697	$ 779	$ 444,608	5.55%
2015	$ 30,214	$ 30,000	$ 214	$ 527,297	5.69%
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					

*As of June 30; this schedule is to be built prospectively until it contains ten years of data.