

The College President recommends approval of the financial audit of Central Community College, June 30, 2024 and 2023.

CENTRAL COMMUNITY COLLEGE AREA

FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

CENTRAL COMMUNITY COLLEGE AREA  
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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Governors  
Central Community College Area  
Grand Island, Nebraska

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities of Central Community College Area as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise Central Community College Area's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Central Community College Area, as of June 30, 2024 and 2023, and the respective statements of revenues, expenses, and changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Central Community College Foundation, which represent 20%, 22%, and 9%, respectively, of the assets, net position, and revenues of Central Community College Area as of June 30, 2024 and 2023, and the respective statements of revenues, expenses, and changes in financial position, and where applicable, cash flows thereof for the years then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Central Community College Foundation is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Central Community College Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Community College Area and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Community College Area's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an

essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Central Community College Area's basic financial statements. The schedules of general fund revenues - budgetary basis, schedules of general fund expenditures - budgetary basis, and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of general fund revenues - budgetary basis, schedules of general fund expenditures - budgetary basis, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2024, on our consideration of Central Community College Area's internal control over financial reporting and 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 the 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 Central Community College Area's internal control over financial reporting and compliance.

*Dana F Cole+Company, LLP*

Minden, Nebraska  
November 15, 2024

## CENTRAL COMMUNITY COLLEGE AREA MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Central Community College Area's (the College) annual financial report presents the management's discussion and analysis of the College's financial performance, as reflected in the financial statements for the fiscal years ended June 30, 2024 and 2023. The Central Community College Foundation (the Foundation) is a legally separate not-for-profit corporation and is reported as a discretely presented component unit based on the nature and significance of its relationship to the College. The management's discussion and analysis does not contain information of the Foundation. Please read the management's discussion and analysis in conjunction with the College's financial statements, which follow this section.

### **USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to the College's basic financial statements and notes to the financial statements. The financial statements include three components: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows - direct method. These statements provide information on the College as a whole and present a long-term view of the College's finances.

### **THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

One of the most important questions asked about the College's finances is, "Is Central Community College Area as a whole better off as a result of the year's activities?" The statement of net position and the statement of revenues, expenses, and changes in net position report information on the College as a whole and on its activities in a way that helps answer this question. When revenues and other support exceed expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between revenues and expenses may be thought of as the College's operating results.

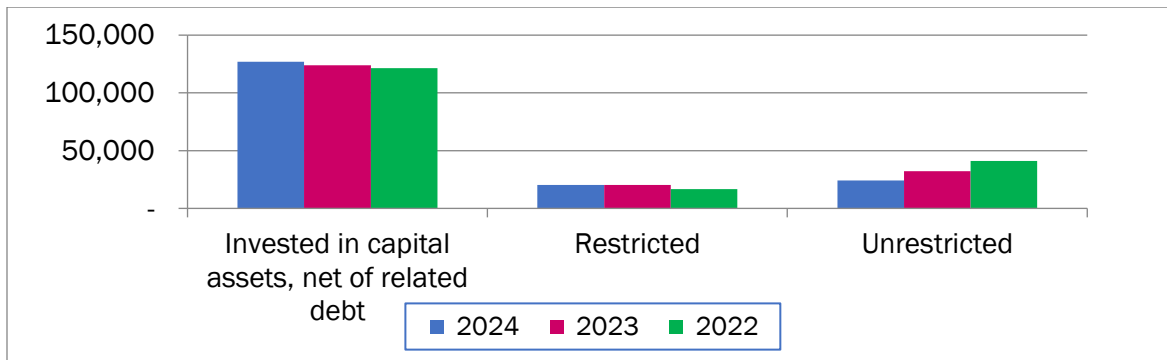
These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the College's net position and changes in it. You can think of the College's net position (the difference between assets and liabilities and deferred inflows of resources) as one way to measure the College's financial health or financial position. Over time, increases or decreases in the College's net position are indicators of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as enrollment trends, placement results, program quality, condition of buildings, campus safety, and other factors to assess the overall health of the institution.

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION (Continued)**

**Figure 1**  
**Central Community College Area**  
**Net Position**  
(in thousands of dollars)



**Table 1**  
**Central Community College Area**  
**Net Position**  
(in thousands of dollars)

	2024	2023	2022
Current assets	62,622	60,696	66,888
Noncurrent assets	866	2,335	855
Intangible assets	7,631	7,618	
Capital assets	<u>128,292</u>	<u>129,438</u>	<u>130,995</u>
Total assets	<u>199,411</u>	<u>200,087</u>	<u>198,738</u>
Current liabilities	10,039	12,608	10,029
Noncurrent liabilities	9,178	10,886	9,298
Deferred inflows of resources	<u>6,507</u>	<u>225</u>	<u>270</u>
Total liabilities	<u>25,724</u>	<u>23,719</u>	<u>19,597</u>
Net position			
Invested in capital assets, net of related debt	126,753	123,903	121,520
Restricted	20,238	20,210	16,561
Unrestricted	<u>26,696</u>	<u>32,255</u>	<u>41,060</u>
Total net position	<u>173,687</u>	<u>176,368</u>	<u>179,141</u>



CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION** (Continued)

Net position of the College decreased by 1.5% (\$2,680 thousands) for the fiscal year ended June 30, 2024, and decreased by 1.5% (\$2,773 thousands) for the fiscal year ended June 30, 2023. The decrease in net position for the current year is due to the following factors:

Unrestricted and restricted net position decreased 10.5% (\$5,530 thousands) during 2023 - 2024. This was due to planned budget expenses coming out of reserves. Investment in capital assets, net of related debt, increased 2.4% (\$2,850 thousands). This is due to capital projects that were completed.

**Table 2**  
**Central Community College Area**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
(in thousands of dollars)

	2024	2023	2022
Operating revenue			
Student tuition and fees	6,031	5,681	6,479
Grants and contracts	79	121	100
Sales educational departments	1,313	700	1,202
Auxiliary enterprises	4,131	3,736	3,441
Other	4,753	4,951	1,743
Total operating revenue	<u>16,307</u>	<u>15,189</u>	<u>12,965</u>
Operating expenses			
Personnel services	52,920	50,411	49,151
Operating expenses	27,482	23,501	23,448
Supplies	5,187	4,784	3,783
Noncapitalized assets	2,312	2,247	1,946
Depreciation and amortization	9,651	9,332	9,478
Total operating expenses	<u>97,552</u>	<u>90,275</u>	<u>87,806</u>
Net operating loss	<u>(81,245)</u>	<u>(75,086)</u>	<u>(74,841)</u>
Nonoperating revenue			
State aid	11,169	10,755	10,694
Property taxes	42,061	41,506	41,155
Grants and contracts	14,307	9,826	16,951
Investment income	251	144	37
Gifts			4,721
Interest expense	(65)	(129)	(338)
Net nonoperating revenue	<u>67,723</u>	<u>62,102</u>	<u>73,220</u>

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

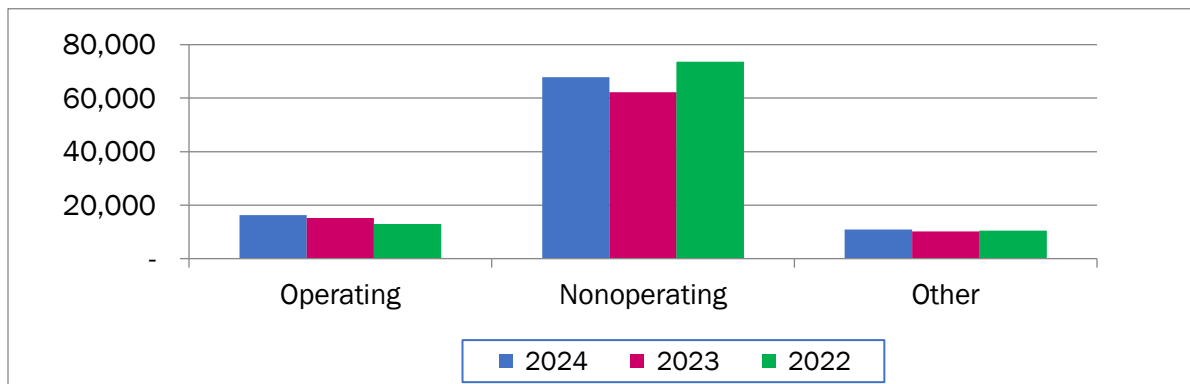
**THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (Continued)**

**Table 2 (Continued)**  
**Central Community College Area**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
(in thousands of dollars)

	2024	2023	2022
Other revenue			
Capital appropriations	<u>10,841</u>	<u>10,211</u>	<u>10,405</u>
Increase (decrease) in net assets	(2,681)	(2,773)	8,784
Net position			
Net position, beginning of year	<u>176,367</u>	<u>179,140</u>	<u>170,356</u>
Net position, end of year	<u><u>173,686</u></u>	<u><u>176,367</u></u>	<u><u>179,140</u></u>

**REVENUES**

**Figure 2**  
**Central Community College Area**  
**Revenues**  
(in thousands of dollars)



The change in revenues was the result of the following:

Operating revenue showed an increase of \$1,118 thousands over 2023 - 2024. Tuition and fee revenue increased by \$350 thousands. Auxiliary enterprises and other operating revenue showed an increase of \$810 thousands in revenues. The College was recouping revenues that had gone away during the COVID-19 pandemic.

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**REVENUES (Continued)**

Nonoperating revenue included an increase in state aid of 3.9% (\$414 thousands), an increase in property tax revenue of 1.3% (\$555 thousands), and an increase in grants of 45.6% (\$4,481 thousands). This was primarily from the federal government funds distributed as the result of the pandemic in prior years.

**EXPENSES**

**Figure 3**  
**Central Community College Area**  
**Expenses**

	2024	2023	2022
Educational and general			
Instruction	26,540,770	24,108,574	24,267,696
Academic support	10,115,211	10,405,387	9,855,486
Student services	12,194,989	8,636,353	7,413,423
Institutional support	20,086,498	19,376,868	19,911,412
Physical plant	10,045,424	9,881,882	8,478,529
Depreciation	9,650,755	9,332,127	9,478,146
Student financial aid	6,687,719	5,943,765	6,437,249
Auxiliary enterprises	2,230,441	2,589,880	1,964,066
Total expenses	<u>97,551,807</u>	<u>90,274,836</u>	<u>87,806,007</u>

The change in expenses was the result of the following:

An increase of 5.0% (\$2,509 thousands) in personnel services is primarily from an increase in wages and benefits.

Operating and supplies expenses have increased by 14.6% (\$4,449 thousands), primarily because of inflation and supply chain problems.

Depreciation expense increased by 3.42% (\$319 thousands). This is due to the various capital projects completed in the prior fiscal years being higher than normal.

**THE STATEMENT OF CASH FLOWS**

Another way to assess the financial health of the College is to look at the statements of cash flows. The purpose of the statements of cash flows is to provide relevant information about cash receipts and cash payments made by the College during a fiscal year. The statements also help users to assess the College's:

- Ability to generate future net cash flows
- Ability to meet its obligations as they come due
- Needs for external financing
- Investment timing and strategies

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**THE STATEMENT OF CASH FLOWS (Continued)**

**Table 3**  
**Central Community College Area**  
**Cash Flows**  
(in thousands of dollars)

	2024	2023	2022
Cash provided by (used in):			
Operating activities	(71,836)	(64,625)	(68,860)
Noncapital financing activities	66,343	61,776	68,695
Capital and related financing activities	5,616	(1,709)	1,173
Investing activities	283	621	28
Net increase (decrease) in cash and cash equivalents	406	(3,937)	1,036
Cash and cash equivalents, beginning of the year	36,026	39,963	38,927
Cash and cash equivalents, end of the year	<u>36,432</u>	<u>36,026</u>	<u>39,963</u>

Cash and cash equivalents increased for the 2024 year by 1.1% (\$405 thousands). This was due to planned budget expenses being taken out of reserves coupled with an increase in government grants.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At June 30, 2024, the College had \$128,293 thousands invested in capital assets, net of accumulated depreciation of \$121,706 thousands. Depreciation charges for the fiscal years ended June 30, 2024 and 2023, totaled \$9,878 and \$9,332 thousands, respectively. Details of capital assets for the fiscal years ended June 30 are as follows:

**Table 4**  
**Central Community College Area**  
**Capital Assets**  
(net of depreciation and amortization, in thousands of dollars)

	2024	2023	2022
Land and construction in progress	6,810	5,916	3,440
Land improvements	7,062	6,611	6,317
Buildings	106,782	109,213	112,830
Equipment	3,999	3,958	4,574
Right-to-use assets	3,640	3,740	3,834
	<u>128,293</u>	<u>129,438</u>	<u>130,995</u>

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)**

Capital Assets (Continued)

Major capital additions completed this year include (in thousands):

IT&S Business remodel, Grand Island	2,732
Snack Bar remodel, Grand Island	1,693
Paving and infrastructure, Grand Island	842
Equipment	<u>1,816</u>
	<u>7,083</u>

The College has planned capital expenditures for the fiscal year ending June 30, 2025, of approximately \$12,184 thousands.

Capital improvement funds will be used to finance the following major items:

In Hastings: Furnas remodel for \$3,700,000, Dawson chiller for \$2,000,000, and miscellaneous projects for \$859,000. In Grand Island: Welding building for \$1,000,000, CHTS building upgrades for \$450,000, and miscellaneous projects of \$131,000. In Columbus: East parking lot of \$800,000, ball field upgrades for \$600,000, and miscellaneous projects for \$327,000. Learning centers: Holdrege expansion for \$1,300,000, and miscellaneous projects for \$327,000. College-wide projects of \$2,290,000 are planned, with the fiber project being the largest at \$1,500,000.

Amounts available from prior revenue bond issuances will finance the following major items:

In Columbus: miscellaneous projects for \$1,235,000. In Hastings: miscellaneous projects for \$1,028,000 are planned.

More detailed information about the College's capital assets is found in Note 5 to the financial statements.

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)**

Debt

At June 30, 2024, the College had \$1,629 thousands in debt outstanding versus \$5,636 thousands at June 30, 2023.

**Table 5**  
**Central Community College Area**  
**Outstanding Debt**  
(in thousands of dollars)

	2024	2023	2022
2019 Series Central Community College Facilities Corp Bonds	1,540	3,045	4,510
2021 Series Dormitory and Student Facility Refunding Revenue Bonds		2,490	4,965
Other liabilities	89	101	128
	<u>1,629</u>	<u>5,636</u>	<u>9,603</u>

The issuance of the 2021 Series bonds were used to refund the 2012B, 2013, 2014, and 2017 issuances. The issuance of the 2019 Series bonds were used to refund the 2013 and 2014 issuances.

**ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE**

The economic position of Central Community College Area is closely tied to that of the state. The 2013 modifications to the Community College funding formula in Nebraska State Statutes have directly affected College resources available in subsequent years. The College's share of state aid available for 2024 - 2025 is set to increase by 2.6% (\$307 thousands). Property valuations for the Central Community College Area have increased by 10.3%.

The state of Nebraska enacted Statute 85-1543 in 2023 and will take effect with the 2024-2025 fiscal year. This act provided state funding in lieu of the community colleges being able to levy on the general fund and the ADA fund. The amount provided to the College for the 2024-2025 fiscal year is \$49,146,637.

In light of this environment, the College Board of Governors has taken the following actions:

The College continues to utilize the Academic Quality Improvement Program (AQIP) for College decision making and improvement.

The 2024 - 2025 property tax levy for the Capital Improvement Fund is being increased from 1.7490 cents to 2.00 cents.

Tuition and fee rates for 2024 - 2025 have remained the same as 2023 - 2024 at \$112 a credit hour.

CENTRAL COMMUNITY COLLEGE AREA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**FINANCIAL CONTACT**

The College's financial statements are designed to present users with a general overview of the College's finances and to demonstrate the College's accountability. If you have questions about the report or need additional financial information, contact Joel King, College Business Officer, 308.398.7315, at 3134 West Highway 34, P.O. Box 4903, Grand Island, Nebraska, 68802-4903, or email [joelking@cccneb.edu](mailto:joelking@cccneb.edu).

CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF NET POSITION  
JUNE 30, 2024 AND 2023

	2024		2023	
	College	Foundation	College	Foundation
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	36,431,652	8,236,835	36,026,407	2,354,099
Investments	2,628,648	37,858,654	1,124,693	38,481,626
Property taxes receivable	19,463,033		19,441,186	
Accounts receivable (net)	2,344,519	314,607	2,586,079	2,255,979
Interest receivable	6,412	5,604	3,823	121,020
Prepaid expense	1,747,372		1,513,281	
Total current assets	<u>62,621,636</u>	<u>46,415,700</u>	<u>60,695,469</u>	<u>43,212,724</u>
Noncurrent assets				
Endowment investments		616,285		579,927
Long-term investments	865,848		2,335,143	1,077
Notes and pledges receivable (net)		1,933,995		403,058
Intangible SBITA assets (net)	7,630,590		7,618,164	
Capital assets (net)	<u>128,292,618</u>	<u>1,157,409</u>	<u>129,438,098</u>	<u>943,106</u>
Total noncurrent assets	<u>136,789,056</u>	<u>3,707,689</u>	<u>139,391,405</u>	<u>1,927,168</u>
<b>TOTAL ASSETS</b>	<u>199,410,692</u>	<u>50,123,389</u>	<u>200,086,874</u>	<u>45,139,892</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	2,469,590	679	1,916,804	1,980
Accrued salaries	2,916,881		2,799,468	
Accrued interest	21,868		23,396	
Deferred revenue	645,039	7,000	1,490,061	6,000
Deposits	135,817		110,694	
Deposits held in custody for others	89,322		100,880	
Current amount of public/private partnership agreement	32,000		32,000	
Leases payable - current	269,952		227,310	
Subscriptions payable - current	1,918,848		1,913,107	
Bonds/notes payable - current	<u>1,540,000</u>	<u>500,000</u>	<u>3,995,000</u>	<u>500,000</u>
Total current liabilities	<u>10,039,317</u>	<u>507,679</u>	<u>12,608,720</u>	<u>507,980</u>



CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF NET POSITION  
JUNE 30, 2024 AND 2023

	2024		2023	
	College	Foundation	College	Foundation
LIABILITIES (Continued)				
Noncurrent liabilities				
Annuities payable		315,765		328,365
Public/private partnership agreement	96,000		128,000	
Leases payable	3,370,462		3,513,123	
Subscriptions payable	5,711,742		5,705,057	
Bonds payable			1,540,000	
Total noncurrent liabilities	<u>9,178,204</u>	<u>315,765</u>	<u>10,886,180</u>	<u>328,365</u>
TOTAL LIABILITIES	<u>19,217,521</u>	<u>823,444</u>	<u>23,494,900</u>	<u>836,345</u>
DEFERRED INFLOWS OF RESOURCES				
Related to grant funding	6,327,185			
Related to public/private partnership agreement	<u>179,693</u>		<u>224,616</u>	
Total deferred inflows of resources	<u>6,506,878</u>		<u>224,616</u>	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>25,724,399</u>	<u>823,444</u>	<u>23,719,516</u>	<u>836,345</u>
NET POSITION				
Without donor restrictions		30,254,267		23,686,115
With donor restrictions		19,045,678		20,617,432
Invested in capital assets, net of related debt	126,752,618		123,903,098	
Restricted for				
Grants	3,470,302		3,341,350	
ADA/hazardous waste	16,767,460		16,868,388	
Unrestricted	<u>26,695,913</u>		<u>32,254,522</u>	
TOTAL NET POSITION	<u>173,686,293</u>	<u>49,299,945</u>	<u>176,367,358</u>	<u>44,303,547</u>

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED JUNE 30, 2024 AND 2023

	2024		2023	
	College	Foundation	College	Foundation
OPERATING REVENUES				
Tuition and fees	6,031,459		5,681,078	
Nongovernmental grants and contracts	78,598		120,672	
Sales and services of educational departments	1,312,893		700,415	
Auxiliary enterprises	4,131,056		3,736,116	
Other operating income	4,752,979		4,950,569	
Total operating revenues	<u>16,306,985</u>		<u>15,188,850</u>	
OPERATING EXPENSES				
Personnel services	52,920,250		50,410,987	
Operating expenses	27,482,452	4,293,327	23,500,889	3,671,075
Supplies	5,186,716		4,783,610	
Noncapitalized assets	2,311,634		2,247,223	
Depreciation and amortization	9,650,755		9,332,127	
Total operating expenses	<u>97,551,807</u>	<u>4,293,327</u>	<u>90,274,836</u>	<u>3,671,075</u>
OPERATING LOSS	<u>(81,244,822)</u>	<u>(4,293,327)</u>	<u>(75,085,986)</u>	<u>(3,671,075)</u>
NONOPERATING REVENUES (EXPENSES)				
Governmental appropriations				
State aid	11,169,059		10,755,293	
Property taxes	42,061,102		41,506,262	
Governmental grants and contracts				
Federal	10,614,320		8,416,638	
State	3,662,089		1,406,737	
Nongovernmental grants and contracts	30,739		1,000	
Gifts		3,229,003		3,266,464
Fundraising proceeds		201,555		183,724
Investment income	250,532	4,659,537	144,495	6,427,309
Other support and revenues		1,199,630		1,341,873
Interest expense	<u>(64,859)</u>		<u>(128,864)</u>	
Net nonoperating revenues (expenses)	<u>67,722,982</u>	<u>9,289,725</u>	<u>62,101,561</u>	<u>11,219,370</u>

CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED JUNE 30, 2024 AND 2023

	2024		2023	
	College	Foundation	College	Foundation
INCOME (LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	(13,521,840)	4,996,398	(12,984,425)	7,548,295
OTHER INCOME				
Capital appropriations	<u>10,840,775</u>	<u>                    </u>	<u>10,211,042</u>	<u>                    </u>
INCREASE (DECREASE) IN NET POSITION	<u>(2,681,065)</u>	<u>4,996,398</u>	<u>(2,773,383)</u>	<u>7,548,295</u>
NET POSITION, beginning of year	<u>176,367,358</u>	<u>44,303,547</u>	<u>179,140,741</u>	<u>36,755,252</u>
NET POSITION, end of year	<u><u>173,686,293</u></u>	<u><u>49,299,945</u></u>	<u><u>176,367,358</u></u>	<u><u>44,303,547</u></u>

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF CASH FLOWS - DIRECT METHOD  
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	5,427,997	6,677,056
Grants and contracts	78,598	120,672
Payments for personnel services	(52,814,395)	(50,281,643)
Payments for other operating expenses	(29,475,391)	(25,631,042)
Payments for supplies	(5,186,716)	(4,783,610)
Sales and services of educational departments	1,312,893	700,415
Auxiliary enterprises	4,144,621	3,699,199
Public/private partnership agreement	(76,923)	(76,923)
Other receipts	<u>4,752,979</u>	<u>4,950,569</u>
Net cash used in operating activities	<u>(71,836,337)</u>	<u>(64,625,307)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State aid	11,169,059	10,755,293
Property taxes - General Fund and ADA/Hazardous Waste Fund	42,039,255	41,196,035
Collection of loans to students	2,929,561	2,865,064
Loans issued to students	(2,929,561)	(2,865,064)
Gifts and grants for other than capital purposes	<u>13,134,333</u>	<u>9,824,375</u>
Net cash provided by noncapital financing activities	<u>66,342,647</u>	<u>61,775,703</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Property taxes - Capital Improvement Fund	10,840,775	10,211,042
Cash received for capital grants	7,500,000	
Principal paid on capital debt	(3,995,000)	(3,940,000)
Interest paid on capital debt	(66,387)	(139,259)
Purchases of capital assets	<u>(8,663,056)</u>	<u>(7,841,000)</u>
Net cash provided by (used in) capital financing activities	<u>5,616,332</u>	<u>(1,709,217)</u>

CENTRAL COMMUNITY COLLEGE AREA  
STATEMENTS OF CASH FLOWS - DIRECT METHOD  
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	1,503,955	1,958,827
Interest on investments	247,943	143,304
Purchase of investments	<u>(1,469,295)</u>	<u>(1,480,329)</u>
Net cash provided by investing activities	<u>282,603</u>	<u>621,802</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	405,245	(3,937,019)
CASH AND CASH EQUIVALENTS, beginning of year	<u>36,026,407</u>	<u>39,963,426</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>36,431,652</u></u>	<u><u>36,026,407</u></u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	<u>(81,244,822)</u>	<u>(75,085,986)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	9,650,755	9,332,127
Changes in operating assets and liabilities:		
Receivables, net	241,560	790,767
Prepaid expense	(234,091)	(183,321)
Accounts payable and accrued liabilities	683,764	420,354
Deferred revenue	(845,022)	205,211
Liability and deferred inflows of resources under public/private partnership agreement	(76,923)	(76,923)
Funds held for others	<u>(11,558)</u>	<u>(27,536)</u>
Net cash used in operating activities	<u><u>(71,836,337)</u></u>	<u><u>(64,625,307)</u></u>

See accompanying notes to financial statements.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Central Community College Area (the College) was established July 1, 1973, by action of the Nebraska Legislature creating the Nebraska Community College System with six area colleges. The College encompasses 25 counties in central Nebraska. An 11-member Board of Governors is the College's ruling body and establishes the policies and procedures by which the College is governed.

Reporting Entity

The concept underlying the definition of the financial reporting entity is that elected officials are accountable to their constituents for their actions. As required by accounting principles generally accepted in the United States of America (GAAP), the financial reporting entity includes both the primary government and all of its component units as defined by the Governmental Accounting Standards Board (GASB). An organization other than a primary government serves as a nucleus for a reporting entity when it issues separate financial statements. Central Community College Area is not a component unit of another primary government reporting entity.

The Central Community College Facilities Corporation (CCCFC) is a legally separate, nonprofit corporation which is a component unit of Central Community College Area. CCCFC was formed by the College during 2002, to acquire property to be leased to and purchased by the College. The Board of Governors of the College appoints the members of the Board of CCCFC. CCCFC provides services entirely to the College. The services provided by CCCFC are so intertwined with the College that the CCCFC is, in substance, the same as the College and it is reported as part of the College and blended into the College's financial statements.

The Central Community College Foundation (the Foundation) is a legally separate, tax-exempt component unit of Central Community College Area. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The Foundation Board consists of a Board of Directors (the Board), which oversees Foundation activities and sets policies. No voting members of the Board are members of the College or the College Board of Governors. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income, thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. In 2013, the Foundation became affiliated with the Warren and Velda Wilson Foundation, a nonprofit corporation.

These financial statements do not contain disclosures of information of the Foundation. Complete financial statements, including the statements of cash flows, for the Foundation can be obtained at the Corporate Office, 201 Foundation Place, Suite 200, Hastings, Nebraska.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

Pursuant to the provisions of GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended by GASB Statement 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, the full scope of the College's activities is considered to be a single business-type activity (BTA) and, accordingly, is reported within a single column in the basic financial statements.

Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. All significant intrafund transactions have been eliminated. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The College maintains an encumbrance system for tracking outstanding purchase orders and other commitments for materials or services not received during the fiscal year. Outstanding encumbrances amounted to \$4,834,520 and \$11,045,123 at June 30, 2024 and 2023, respectively, which includes commitments on uncompleted construction contracts. Encumbrances do not constitute expenses or liabilities and are not reflected in these financial statements. Encumbered appropriations expire at the year end of the fiscal year following their creation.

The Foundation is a public nonprofit organization that reports under Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*, (ASU 2016-14). As such, certain revenue recognition criteria and presentation features are different from FASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

Donated Assets and Services

Donated materials or equipment, when received, are reflected as contributions in the accompanying statements at their estimated fair market values at date of receipt.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subscription-based Information Technology Arrangements (SBITAs)

GASB Statement 96, *Subscription-based Information Technology Arrangements* (SBITAs), provides guidance related to accounting and financial reporting for SBITAs. The standard generally requires the recording of a right-to-use subscription asset (intangible asset) and a corresponding liability. There is an exception for short-term SBITAs defined as those with maximum possible terms of 12 months or less including options to extend, regardless of their probability of being exercised.

Budgets

Budgets are prepared on the same basis of accounting except that capital assets acquired are recorded as expenses and depreciation is not recorded.

Cash and Cash Equivalents

Cash equivalents include highly liquid temporary investments with original maturities of three months or less, readily convertible to known amounts of cash.

Investments

Investments are reported at fair value. Fair value is established as the readily determinable current market value for debt and equity securities.

Receivables

Receivables consist of tuition and fees charges to students and charges for auxiliary enterprises' sales and services. Receivables also include amounts due from the federal government, state and local governments, and private sources in connection with reimbursement of allowable expenditures made pursuant to contracts and grants, and pledges that are verifiable, measurable, and expected to be collected and available for expenditures for which the resource provider's conditions have been satisfied. Receivables are recorded net of estimated uncollectible amounts, which is based on historical collection experience and a review of the accounts receivable listing.

Capital Assets

Capital assets are stated at cost at the date of acquisition or fair value at the date of donation, in the case of gifts. The College capitalizes assets that have a value or cost in excess of \$5,000 at the date of acquisition and an expected useful life of one or more years. Renovations to buildings, infrastructure, and land improvements over \$100,000 that significantly increase value or extend useful life are capitalized.



CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following estimated useful lives are used to compute depreciation:

Buildings	40 years
Building improvements	20 years
Building content replacements	10 - 20 years
Office furniture	5 - 10 years
Instructional and other operating equipment	5 - 7 years
Office equipment	3 years
Vehicles	3 years

Leases

Under GASB Statement 87, *Leases*, a lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying assets. The lease liability is measured at the present value of payments expected during the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease. The lease liability is reduced as payments are made and interest expense is recognized. The leased asset is generally amortized over the term of the lease unless the useful life of the underlying asset is less. A short-term lease is a lease that at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Short-term leases are expensed in the period incurred. Contracts that transfer ownership of the underlying assets or contain a bargain purchase option are recognized as financing contracts. The College excludes immaterial leases with total from the provisions of GASB 87.

Restricted Assets

Restricted assets represent assets whose use is restricted by external parties or by law through constitutional provisions or enabling legislation.

Noncurrent Liabilities

Noncurrent liabilities include accrued salaries for early retirement, notes, and bonds payable that will not be paid within the next fiscal year.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

The College's net position is classified as follows:

Invested in Capital Assets, Net of Related Debt

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

Restricted Net Position - Expendable

Expendable restricted net position includes resources in which the College is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

Unrestricted Net Position

Unrestricted net position includes resources derived from student tuition and fees, sales and services, unrestricted gifts, and interest income.

Restricted and unrestricted resources are tracked using a fund accounting system and are spent in accordance with established fund authorities. Fund authorities provide rules for the fund activity and are separately established for restricted and unrestricted activities. When both restricted and unrestricted funds are available for expenditure, the decision for funding is transactional based within the departmental management system in place at the College.

Scholarship Allowances

Student tuition and fees revenues and certain other revenues from College charges are reported net of scholarship allowances in the accompanying statements of revenues, expenses, and changes in net position. The scholarship allowance is the difference between the actual charge for goods and services provided by the College and the amount that is paid by students or by third parties on the students' behalf. Student financial assistance grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating revenues in the accompanying statements of revenues, expenses, and changes in net position. To the extent that revenues from these programs are used to satisfy tuition, fees, and other charges, the College has recorded a scholarship allowance.

Operating and Nonoperating Revenues and Expenses

The College presents its revenues and expenses as operating or nonoperating based on recognition definitions from the Government Accounting Standards Board. Operating activities are those activities that are necessary and essential to the mission of the College. Operating revenues include all charges to customers, grants received for student financial assistance, and interest earned on loans. Grants received for student financial assistance are considered operating revenues because they provide resources

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Nonoperating Revenues and Expenses (Continued)

for student charges, and such programs are necessary and essential to the mission of the College. Revenues from nonexchange transactions and state appropriations that represent subsidies or gifts to the College, as well as investment income, are considered nonoperating since these are either investing, capital, or noncapital financing activities. Operating expenses are all expense transactions incurred other than those related to investing, capital, or noncapital financing activities. Revenues received for capital financing activities, as well as related expenses, are considered neither operating nor nonoperating activities and are presented after nonoperating activities on the accompanying statements of revenues, expenses, and changes in net position.

Restricted/Unrestricted Resource Priority

If both restricted and unrestricted resources are available to finance a program, restricted resources are used first unless the restricted resources require unrestricted resources to be used first.

Use of Estimates

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

Compensated Absences

Vacation and personal leave meet the criteria in GASB Statement 16 and are included in accrued compensated absences. The criteria for accruing compensated absences are met when an employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employee through paid time off or some other means, such as cash at termination or retirement.

NOTE 2. CASH AND INVESTMENTS

After proper consideration of the requirement for the availability of money, the College can invest funds in securities the nature of which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another.

Interest Rate Risk

The College does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest risk rates.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Credit Risk

In accordance with the College's investment policy, funds may be invested, within certain limits, in Federal Deposit Insurance Corporation (FDIC)-insured banks, U.S. Treasury and federal agencies, and certificates of deposit issued by FDIC-insured banks.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits of the College is the risk that the College's deposits will not be covered by depository insurance. The College requires that deposits in excess of any insurance limit be collateralized by the financial institution with appropriate pledged securities to protect funds above the insurable level. At June 30, 2024 and 2023, the value of the College's deposits, which include checking, money market, and certificates of deposit, was \$40,582,501 and \$40,217,750, respectively. As of June 30, 2024 and 2023, all bank balances were insured or fully collateralized.

Investments

Investments include certificates of deposit which consist of nonparticipating certificates of deposit in local banks and are stated at cost in the amount of \$3,494,496 and \$3,459,836 for the years ended June 30, 2024 and 2023, respectively.

NOTE 3. PROPERTY TAX RECEIVABLE

Property taxes levied for the fiscal year ended June 30, 2024, were due December 31, 2023, and became delinquent in April - September of 2024. Property tax revenues based on the assessed valuation and the levy set are recognized in the current fiscal year even though part of the property tax revenue is not delinquent or collected until the following fiscal year.

Property taxes are recognized net of the county collection fee of 1%. The assessed August valuation and levies in cents per \$100 of assessed valuation for the fiscal year ended June 30 were as follows:

	2024	2023
Assessed August valuation	62,857,409,918	57,682,220,414
Levy in cents per \$100 of assessed valuation		
General Fund		6.7234
Capital Improvement Fund	2.0000	1.7490
ADA/Hazardous Waste Fund		0.0667
Total	<u>2.0000</u>	<u>8.5391</u>

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 3. PROPERTY TAX RECEIVABLE (Continued)

The amount of uncollected property taxes at June 30 was as follows:

	2024	2023
General Fund	15,322,546	14,484,500
Capital Improvement Fund	3,986,359	3,945,371
ADA/Hazardous Waste Fund	154,128	1,011,315
Total	<u>19,463,033</u>	<u>19,441,186</u>

The following amounts, which are included in the uncollected property tax amounts, were held as cash by county treasurers at June 30:

	2024	2023
General Fund	545,763	482,950
Capital Improvement Fund	141,984	131,513
ADA/Hazardous Waste Fund	5,523	33,653
Total	<u>693,270</u>	<u>648,116</u>

NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30 were as follows:

	2024	2023
Federal nonexchange grants	1,112,077	1,283,737
Federal Pell, Federal Work-Study, FSEOG	72,092	64,703
Student tuition and fees	1,908,676	1,657,812
Other	586,692	807,416
	<u>3,679,537</u>	<u>3,813,668</u>
Less allowance for doubtful accounts	<u>(1,335,018)</u>	<u>(1,227,589)</u>
Accounts receivable, net	<u>2,344,519</u>	<u>2,586,079</u>

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	July 1, 2023	Additions	Deletions	June 30, 2024
Capital assets, not being depreciated				
Land	2,115,577			2,115,577
Construction in progress	3,800,662	3,050,314	2,156,949	4,694,027
Total	<u>5,916,239</u>	<u>3,050,314</u>	<u>2,156,949</u>	<u>6,809,604</u>

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

	July 1, 2023	Additions	Deletions	June 30, 2024
Capital assets, being depreciated/amortized				
Land improvements	11,921,132	961,003		12,882,135
Buildings	195,668,774	4,938,924		200,607,698
Equipment	24,650,138	1,816,046	1,046,166	25,420,018
Right-to-use assets	4,151,768	127,291		4,279,059
Total	<u>236,391,812</u>	<u>7,843,264</u>	<u>1,046,166</u>	<u>243,188,910</u>
Less accumulated depreciation/amortization				
Land improvements	5,310,618	509,910		5,820,528
Buildings	86,456,070	7,369,523		93,825,593
Equipment	20,691,930	1,771,320	1,042,120	21,421,130
Right-to-use assets	411,335	227,310		638,645
Total	<u>112,869,953</u>	<u>9,878,063</u>	<u>1,042,120</u>	<u>121,705,896</u>
Capital assets, net	<u>129,438,098</u>	<u>1,015,515</u>	<u>2,160,995</u>	<u>128,292,618</u>

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	July 1, 2022	Additions	Deletions	June 30, 2023
Capital assets, not being depreciated				
Land	2,115,577			2,115,577
Construction in progress	1,324,051	2,738,622	262,011	3,800,662
Total	<u>3,439,628</u>	<u>2,738,622</u>	<u>262,011</u>	<u>5,916,239</u>
Capital assets, being depreciated/amortized				
Land improvements	11,169,616	751,516		11,921,132
Buildings	192,094,487	3,574,287		195,668,774
Equipment	24,200,684	1,067,997	618,543	24,650,138
Right-to-use assets	4,013,884	137,884		4,151,768
Total	<u>231,478,671</u>	<u>5,531,684</u>	<u>618,543</u>	<u>236,391,812</u>
Less accumulated depreciation/amortization				
Land improvements	4,852,460	458,158		5,310,618
Buildings	79,264,244	7,191,826		86,456,070
Equipment	19,626,455	1,682,143	616,668	20,691,930
Right-to-use assets	179,976	231,359		411,335
Total	<u>103,923,135</u>	<u>9,563,486</u>	<u>616,668</u>	<u>112,869,953</u>
Capital assets, net	<u>130,995,164</u>	<u>(1,293,180)</u>	<u>263,886</u>	<u>129,438,098</u>

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. ACCRUED SALARIES

Accrued salaries for the fiscal years ended June 30, 2024 and 2023, were composed of the following:

	2024	2023
Accrued salaries	1,223,849	1,156,570
Accrued compensated absences	<u>1,693,032</u>	<u>1,642,898</u>
Total accrued salaries	<u><u>2,916,881</u></u>	<u><u>2,799,468</u></u>

NOTE 7. LONG-TERM LIABILITIES

Long-term liabilities activity for the fiscal year ended June 30, 2024, was as follows:

	June 30, 2023 Beginning Balance	Additions	Reductions	June 30, 2024 Ending Balance	Current Portion
Bonds payable					
2021 Revenue Bonds	2,490,000		2,490,000		
Facilities Corporation Building Bonds	<u>3,045,000</u>		<u>1,505,000</u>	<u>1,540,000</u>	<u>1,540,000</u>
Total long-term liabilities	<u><u>5,535,000</u></u>		<u><u>3,995,000</u></u>	<u><u>1,540,000</u></u>	<u><u>1,540,000</u></u>

Long-term liabilities activity for the fiscal year ended June 30, 2023, was as follows:

	June 30, 2022 Beginning Balance	Additions	Reductions	June 30, 2023 Ending Balance	Current Portion
Bonds payable					
2021 Revenue Bonds	4,965,000		2,475,000	2,490,000	2,490,000
Facilities Corporation Building Bonds	<u>4,510,000</u>		<u>1,465,000</u>	<u>3,045,000</u>	<u>1,505,000</u>
Total long-term liabilities	<u><u>9,475,000</u></u>		<u><u>3,940,000</u></u>	<u><u>5,535,000</u></u>	<u><u>3,995,000</u></u>

NOTE 8. DEBT SERVICE REQUIREMENTS

Long-term debt consisted of the following at June 30, 2024, at fixed interest rates:

On December 23, 2019, the Central Community College Facilities Corporation issued Series 2019, Refunding Building Bonds for the Health Science Education Center Project, and refunded the Series 2013 and 2014 Bonds. The amount of the issue was \$8,375,000. It matures on March 1, 2025, and is at a 2.13% rate of interest.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEBT SERVICE REQUIREMENTS (Continued)

On October 13, 2021, the Central Community College Facilities Corporation issued Series 2021, Student Facilities Revenue Refunding Bonds, and refunded the Series 2017, 2016, 2014, 2013, and 2012B Bonds. The amount of the issue was \$4,965,000. It matures on June 15, 2024, and is at a 0.87% rate of interest.

No debt of the college was from the result of a direct borrowing. Debt service requirements at June 30, 2024, were as follows:

Years Ended June 30,	Facilities Corporation Building Bonds Payable		
	Principal	Interest	Total
2025	<u>1,540,000</u>	<u>32,802</u>	<u>1,572,802</u>

NOTE 9. SCHOLARSHIP ALLOWANCES

Scholarship allowances consist of the following:

1. Student tuition waivers, institutional.
2. Student tuition waivers, statutory (reserves and war orphan).
3. Grant funds (PELL, SEOG, and other federal grants) credited to student accounts to offset tuition, fees, room and board, and bookstore charges.

Scholarship allowances for fiscal years ended June 30 were as follows:

	2024	2023
Tuition and fees	4,538,310	4,555,705
Room and board	<u>725,449</u>	<u>708,225</u>
Total	<u>5,263,759</u>	<u>5,263,930</u>

NOTE 10. EXPENSES BY FUNCTIONAL CATEGORY

Expenses for the financial statements are presented by natural classification (personnel services, operating expense, travel, and expensed capital assets). Both the National Association of College and University Business Officers (NACUBO) and GASB have suggested that for historical purposes, expenses also be presented by functional classifications.



CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 10. EXPENSES BY FUNCTIONAL CATEGORY (Continued)

Expenses by functional classification for the fiscal years ended June 30 are as follows:

	2024	2023
Educational and general		
Instruction	26,540,770	24,108,574
Academic support	10,115,211	10,405,387
Student services	12,194,989	8,636,353
Institutional support	20,086,498	19,376,868
Physical plant	10,045,424	9,881,882
Depreciation	9,650,755	9,332,127
Student financial aid	6,687,719	5,943,765
Auxiliary enterprises	2,230,441	2,589,880
Total expenses	<u>97,551,807</u>	<u>90,274,836</u>

NOTE 11. LEASES

The College leases various items of property across the various campuses. The following is a list of leases accounted for as finance leases in accordance with the provisions of GASB Statement 87, *Leases* (Note 1):

		Monthly	Lease Liability	
	Maturity	Payment	6/30/2023	6/30/2024
College Park	6-2036	7,728	971,844	946,548
Capital Business Systems	6-2036	8,237	1,035,857	1,008,895
Columbus Family Resource	6-2036	5,800	729,425	717,544
Dawson Co. Opp. Center	11-2030	1,000	92,041	86,636
GI Ent. Venture	4-2026	5,000	208,408	110,893
Greater Loup Valley	6-2036	1,250	157,203	153,112
Holdrege Center	6-2036	3,139	394,738	469,799
Platte Valley Literacy	6-2036	1,200	150,917	146,987
Total leases			<u>3,740,433</u>	<u>3,640,414</u>
		Current	227,310	269,952
		Long-Term	<u>3,513,123</u>	<u>3,370,462</u>
		Total	<u>3,740,433</u>	<u>3,640,414</u>

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 11. LEASES (Continued)

Amounts relating to leases are reflected in the financial statements as right-to-use assets and lease liabilities. Future lease payments on leases classified as right-to-use assets are as follows:

Years Ending June 30,	Principal	Interest	Total
2025	269,952	139,339	409,291
2026	275,934	128,357	404,291
2027	230,876	118,415	349,291
2028	240,283	109,008	349,291
2029	250,072	99,219	349,291
2030 - 2034	1,393,164	334,291	1,727,455
2035 - 2037	<u>980,133</u>	<u>31,740</u>	<u>1,011,873</u>
Total	<u>3,640,414</u>	<u>960,369</u>	<u>4,600,783</u>

NOTE 12. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The College enters into subscription agreements for the use of information technology software for periods great than twelve months. On July 1, 2022, the college adopted the provisions of GASB 96, *Subscription-based Information Technology Arrangements* (SBITAs). Those standards require that long-term "SBITAs" be capitalized and amortized over the life of the agreement. GASB 96 further requires that a liability for future payments under the agreements be recorded.

A summary of the College's SBITA agreements meeting the requirements of GASB 96 as of June 30, 2024, are as follows:

General Use	Subscription Period	Amortized Cost	Subscription Liability
WAN Connectivity	Through 2028	845,588	834,106
CISCO SmartNet	Through 2028	1,372,996	1,354,352
Ellucian ERP System	Through 2028	4,496,028	4,434,977
LMC Canvas	Through 2028	516,800	509,782
Microsoft Enterprise	Through 2028	<u>504,220</u>	<u>497,373</u>
		<u>7,735,632</u>	<u>7,630,590</u>

A summary of maturities of subscription liabilities as of June 30, 2024 follows:

June 30, 2024	1,918,848
June 30, 2025	1,911,361
June 30, 2026	1,903,904
June 30, 2027	<u>1,896,477</u>
	<u>7,630,590</u>

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. RETIREMENT PLAN

The College provides pension benefits for its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Generally, all full-time employees are eligible to participate in the plan. Eligible employees are required to participate after one year of employment. The College matches faculty contributions from 2.00% up to 8.50% of the employee's gross annual salary. Faculty is a straight match up to 8.50%, and staff is a match plus 1.00% up to a combined maximum of 8.50%. The participants are 100% vested upon contributing to the plan. There is no liability for past service cost.

The College's total payroll, covered payroll, employer contributions, and employer contributions as a percentage of covered payroll for the years ended June 30, 2024 and 2023, are as follows:

	2024	2023
Total payroll	36,458,220	34,947,762
Covered payroll	31,779,117	30,775,404
Employer contributions	2,918,658	2,729,815
Employer contributions as a percentage	9.2%	8.9%

NOTE 14. HEALTH AND DENTAL INSURANCE

The College provides health and dental benefits for its employees. The College offers insurance through the Educators Health Alliance (EHA). EHA offers Blue Cross Blue Shield insurance for both health and dental. All employees have a \$750 health deductible and various copays, and most services are covered at 80% coinsurance. There is no deductible on the dental plan, and all dental procedures are covered at 100% if a participating provider conducts the service.

NOTE 15. RELATED PARTIES

Related party transactions, defined through a contractual agreement, exist between Central Community College Area and Central Community College Foundation. The College provides personnel and office space to maintain the administration of the Foundation. Although not directly reimbursed for this service, the contractual agreement defines what services will be exchanged at no cost, and services that will be reimbursed or paid on behalf of. Through this contract, the College paid \$570,090 and \$481,179 for expenses for the Foundation during the years ended June 30, 2024 and 2023, respectively.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 15. RELATED PARTIES (Continued)

Central Community College Foundation disbursed \$1,569,909 and \$984,934 of equipment and supplies, \$- 0 - and \$- 0 - of staff development grants, and \$794,913 and \$804,847 of scholarships for the years ended June 30, 2024 and 2023, respectively. The funds disbursed for equipment, program support, and scholarships were received directly by Central Community College Area, and the staff development grants were indirectly received in the form of payments to staff.

NOTE 16. BUDGET PROCESS

Prior to August 1, the College's management and Board of Governors prepared a proposed operating budget on the cash basis for the General, Restricted, and Plant Funds for the fiscal year commencing July 1. The budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at the September Board meeting to obtain taxpayer comments. After the public hearings, the budget is legally adopted by the Board of Governors at the September Board meeting.

Total expenditures may not legally exceed total appropriations, and appropriations lapse at year end.

NOTE 17. RISK MANAGEMENT

The College is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for employee group health and accident benefits. Settled claims have not exceeded this commercial coverage in any of the preceding years.

The College has joined with five of the other Nebraska community colleges to form the Nebraska Community College Insurance Trust (the Trust), a public entity risk pool currently operating as a common risk management and insurance program for its members. The College pays an annual contribution to the Trust for its pooled self-insurance coverage of property, liability, workers' compensation, and associated excess coverages. The Trust self-insures to various levels for all categories of covered risk and purchases excess coverage for claims in excess of the self-insured limits.

If the Loss Fund is exhausted, the College may be assessed for additional costs. The insurance year ended June 30, 2024, which was the Trust's twenty-second year of operations. For the 2024 - 2025 year, no dividend was declared. In May 2023, the Board of Directors of the Trust declared a dividend of \$50,864 to be used as reduction of premium cost for the 2023 - 2024 year.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO FINANCIAL STATEMENTS

NOTE 18. PUBLIC/PRIVATE PARTNERSHIP AGREEMENT

In July 2015, the College entered into a contract with an outside vendor to provide food services for the student cafeteria through June 2028. The vendor has the exclusive right to provide and manage the College's food service programs. The contract included a provision for the vendor to provide \$1,000,000 in cash to the College. The contract is accounted for as a public/private partnership arrangement on a prospective basis from July 2015. The vendor is required to operate and maintain the facility and the College is responsible for certain maintenance costs in accordance with contract provisions. The estimated present value of the College's contractual obligations for maintenance is \$160,000. The contract requires repayment by the College to the vendor if terminated early based on amortized levels over the contract term. The remaining balance of \$179,693 is recorded as a deferred inflow of resources to be amortized to revenue over the life of the contract.

NOTE 19. COMMITMENTS

As of June 30, 2024, the College had commitments of approximately \$4,477,054 with respect to uncompleted construction contracts.

The College has several planned expenditures for the next fiscal year, including purchasing \$773,000 of equipment. The College plans on remodeling various buildings on the Columbus Campus for \$1,727,000 and remodeling various buildings on the Hastings campus for \$4,759,000. Grand Island campus improvements will include \$1,581,000 for the various projects. The Learning centers will have \$1,827,000 for the various projects.

NOTE 20. SUBSEQUENT EVENT

In preparing the financial statements, the College has evaluated events and transactions for potential recognition or disclosure through November 15, 2024, the date the financial statements were available to be issued.

## SUPPLEMENTARY INFORMATION

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULES OF GENERAL FUND REVENUES  
FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Property taxes	41,734,458	38,743,071
State appropriations	11,169,059	10,755,293
Tuition and fees	9,288,048	9,037,805
Other income	440,457	73,450
Subtotal	<u>62,632,022</u>	<u>58,609,619</u>
(Add to) use cash reserves	<u>1,482,323</u>	<u>2,283,760</u>
	<u><u>64,114,345</u></u>	<u><u>60,893,379</u></u>

The revenues in this schedule are presented on the same basis as the College's General Fund budget and are not on a GASB basis of accounting. In particular, tuition is not reduced for scholarship allowances from grants and some other funds.

PROPERTY VALUATION AND PROPERTY TAX REVENUE

The property valuation for the tax year 2024 as confirmed by the 25 counties in the Central Community College Area as of September 2023 is \$62,857,409,918.

The property tax revenue for Central Community College Area for June 30, 2024, fiscal year is computed as follows:

$$\$62,857,409,918 \times 0.6723406/100 = \$42,261,589$$

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULES OF GENERAL FUND EXPENDITURES  
FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
PROGRAM CLASSIFICATION STRUCTURE		
1 Instruction		
Personnel services	22,154,945	19,801,907
Operating expenses	6,148,613	5,447,011
Travel	175,024	144,982
Equipment	137,207	123,359
	<u>28,615,789</u>	<u>25,517,259</u>
4 Academic support		
Personnel services	9,106,742	9,430,648
Operating expenses	389,286	430,957
Travel	133,515	151,168
Equipment	42,703	30,049
	<u>9,672,246</u>	<u>10,042,822</u>
5 Student service		
Personnel services	4,681,617	4,491,979
Operating expenses	423,675	372,587
Travel	168,702	176,021
Equipment	383,649	32,480
	<u>5,657,643</u>	<u>5,073,067</u>
6 Institutional administration		
Personnel services	8,489,443	8,641,274
Operating expenses	3,964,916	4,127,272
Travel	177,819	186,582
Equipment	21,372	10,396
	<u>12,653,550</u>	<u>12,965,524</u>
7 Physical plant operations		
Personnel services	3,926,997	3,661,498
Operating expenses	2,339,682	2,536,087
Travel	11,139	12,989
Equipment	137,769	87,536
	<u>6,415,587</u>	<u>6,298,110</u>
8 Student aid		
Operating expenses	<u>1,099,530</u>	<u>996,597</u>



CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULES OF GENERAL FUND EXPENDITURES  
FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
PROGRAM CLASSIFICATION STRUCTURE (Continued)		
Grand total for college		
Personnel services	48,359,744	46,027,306
Operating expenses	14,365,702	13,910,511
Travel	666,199	671,742
Equipment	722,700	283,820
	<u>64,114,345</u>	<u>60,893,379</u>

The expenditures in this schedule are presented on the same basis as the College's General Fund budget and are not on a GAAP basis of accounting. In particular, equipment is shown as an expense and encumbrances are included.

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024

	Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Disbursements/ Expenditures	Subrecipients
	<u>U.S. Department of Education</u>				
	Direct Programs				
	Student Financial Aid Cluster				
	Federal Pell Grant Program	84.063		6,395,416	
	Federal Supplemental Educational Opportunity Grants	84.007		107,027	
	Federal Direct Student Loans	84.268		2,936,241	
	Federal Work-Study Program	84.033		88,421	
	Total Student Financial Aid Cluster			<u>9,527,105</u>	
	Trio-Student Support Services	84.042A		<u>245,935</u>	
	Total Direct Programs			<u>9,773,040</u>	
	Passed through Nebraska Department of Education				
	Career and Technical Education - Basic Grants to States	84.048	13-60-094-4000-00	507,942	
	Adult Education - Basic Grants to States	84.002A	11-2AEF-10-09-944000	540,348	
				<u>1,048,290</u>	
	Total U.S. Department of Education			<u>10,821,330</u>	

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024

	Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Disbursements/ Expenditures Subrecipients	
	<u>National Science Foundation</u>				
	Direct Programs				
	Education and Human Resources	47.076		236,671	
	<u>U.S. Department of Treasury</u>				
39	Passed through Nebraska Coordinating Commission for Post-Secondary Education				
	Coronavirus State and Local Recovery Funds	21.027		1,172,815	
	<u>U.S. Department of Labor</u>				
	Direct Programs				
	Registered Apprenticeship	17.285		<u>1,007,112</u>	<u>669,880</u>
	TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>13,237,928</u></u>	<u><u>669,880</u></u>

See accompanying notes to schedule of expenditures of federal awards.

CENTRAL COMMUNITY COLLEGE AREA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal award activity of Central Community College Area. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the College.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The schedule of expenditures of federal awards is presented on the accrual basis of accounting.

NOTE 3. INDIRECT COST RATE

The College did not elect to use the de minimis cost rate.



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Governors  
Central Community College Area  
Grand Island, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the business-type activities of Central Community College Area as of June 30, 2024, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report dated November 15, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Central Community College Area's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Community College Area's internal control. Accordingly, we do not express an opinion on the effectiveness of Central Community College Area'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## Report on Compliance and Other Matters

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

## 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 Central Community College Area's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Community College Area's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dana F Cole + Company, LLP

Minden, Nebraska  
November 15, 2024



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Governors  
Central Community College Area  
Grand Island, Nebraska

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

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

We have audited Central Community College's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Central Community College Area's major federal programs for the year ended June 30, 2024. Central Community College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Central Community College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## **Report on Internal Control Over Compliance**

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



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

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

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

Dana F Cole + Company, LLP

Minden, Nebraska  
November 15, 2024

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024

SECTION I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified: \_\_\_Yes X No

Significant deficiencies identified  
that are not considered to be  
material weaknesses: \_\_\_Yes X No

Noncompliance matter to the financial  
statements disclosed: \_\_\_Yes X No

Federal Awards

Internal control over major programs:

Material weakness identified: \_\_\_Yes X No

Significant deficiencies identified  
that are not considered to be  
material weaknesses: \_\_\_Yes X No

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

Any audit findings disclosed that are  
required to be reported in accordance  
with 2 CFR Section 200.516(a): \_\_\_Yes X No

Identification of major programs:

Registered Apprenticeship	17.285
Coronavirus State and Local Recovery Funds	21.027
Student Financial Aid Cluster	
Federal Pell Grant Program	84.063
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Direct Student Loans Program	84.268

CENTRAL COMMUNITY COLLEGE AREA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2024

SECTION I. SUMMARY OF AUDITOR'S RESULTS (Continued)

Federal Awards (Continued)

Dollar threshold used to distinguish  
between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee: \_\_\_\_Yes XNo

SECTION II. FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III. FEDERAL AWARD FINDINGS

None reported.

CENTRAL COMMUNITY COLLEGE AREA  
SUMMARY OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2024

2023-001      ENROLLMENT REPORTING OF STUDENT STATUS WITH NATIONAL STUDENT LOAN  
DATA SYSTEM (NSLDS) - FEDERAL DIRECT LOANS 84.268

Per 34 CFR 685.309 and further described in the NSLDS *Enrollment Reporting Guide*, enrollment information must be reported within 30 days whenever a student's enrollment status changes, unless an Enrollment Reporting Roster will be submitted within 60 days. Of our sample of 60 student files, two cases were noted where the enrollment status reported with NSLDS did not agree with College records. We recommended the College review enrollment status reported with NSLDS, among other procedures considered necessary by management to ensure that they are in agreement with College records. This is not a repeat finding for the year ended June 30, 2024.