

Vernon College
Assessment Activity/Report Communication Form
2018-2019

Title: Annual Audit – Financial

Date of completion: 12-19-2018

Highlights of data: Once again, we received an unmodified opinion, which means no material misstatements or weaknesses.

The results of the audit show an increase in Net Position of \$963,037 compared to 2016-2017 as a result of operations. Operating revenues increased by \$987,573. The increase is largely attributable to an increase in State grants and contracts of \$449,487, an increase of \$266,413 in non-governmental grants and contracts and the first installment of \$230,000 from the PILOT program the College entered into in connection with the Electra Wind Farm. Non-Operating Revenues also increased by \$614,820 mainly due to increased State and Federal funding. Operating expenses increased by \$1,269,157. This was the result of several factors including a 3% salary increase for all employees and increased grant expenditures.

Also in fiscal year 2017/2018 the College, as well as all other colleges and governmental entities in the United States, implemented Governmental Accounting Standards Board (GASB) 75. This is an attempt to record the estimated liability for future health insurance obligations of the College. The result of this implementation was a Prior Period Adjustment to Net Position of (\$13,992,157).

Noncurrent Assets decreased by \$427,752 mainly due to Endowed Scholarships being transferred to the Foundation at the request of the donors and depreciation of capital assets.

Total liabilities increased significantly as a result of recording the GASB 75 liability described above.

Use of data: The audit report is used to report financial condition, results of operations and compliance with rules and regulations. It is required to be performed annually and copies of the report are distributed to the Board of Trustees, Department of Education, Governor's Office, Legislative Budget Board, Comptroller's Office, Coordinating Board, Federal Audit Clearinghouse and several others. It is also posted on the Vernon College web site.

How associated to Student Success? A large part of the audit consists of testing our compliance with rules and regulations regarding various forms of student financial aid. Verified compliance insures our ability to continue to participate in all financial aid programs which continue to be more and more crucial to an ever increasing portion of our students and their ability to attend college.

**Where
the report
can be
found:**

<https://www.vernoncollege.edu/Resources/Business%20Office/FY%2018%20Audited%20Financial%20Report.pdf>

- * To be shared with the Student Success Data and College Effectiveness Committees as well as Vernon College constituents.

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Submitted

by: Garry David **Date:** February 11, 2019
(Responsible Party)

Received by Office of Institutional Effectiveness : February 11, 2019
(Date)

Posted to VC Website*: February 18, 2019
(Date)

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