

**Vernon College**  
**Assessment Activity/Report Communication Form**  
**2019-2020**

**Title:** Annual Audit – Financial

**Date of completion:** 02-13-2020

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

The results of the audit show a decrease in Net Position of \$1,638,702 compared to 2018-2019. The large decrease is attributed to GASB 68 adjustment (\$259,723), GASB 75 adjustment (\$940,691) and the write off of our investment in Unit4/SM (\$650,137). Without those extraordinary items we would have realized a positive \$211,849 from operations.

Operating revenues decreased by \$983,164 mainly due to several large State and Federal grants winding down and the outsourcing of our bookstore operations.

Non-Operating Revenues also decreased by \$833,002 mainly due to decreased Federal revenues and the write off of the Unit4/SM investment.

Operating expenses increased by \$785,573. This was the result of several factors including a 3% salary increase for all employees and the write off of some old inventory when we outsourced the bookstore.

Noncurrent Assets decreased by \$907,278 mainly due to the write off of the Unit4/SM investment and capital spending not keeping up with depreciation of capital assets.

Total liabilities increased significantly as a result of recording the GASB 68 and GASB 75 adjustments described earlier.

**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/2019-31-8.pdf>

**Submitted**

**by:** Garry David **Date:** 02-13-2020

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

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**2019-2020**

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(Responsible Party)

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**Received by Office of Institutional  
Effectiveness:**

February 13, 2020

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(Date)

**Posted to VC Website\*:**

February 19, 2020

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(Date)

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