Financial Statements
June 30, 2024

Santa Barbara Community College District

SANTA BARBARA CITY COLLEGE

Independent Auditor's Report

To the Board of Trustees
Santa Barbara Community College District
Santa Barbara, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of Santa Barbara Community College District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Santa Barbara Community College District as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15 and other required supplementary schedules as listed in the table of contents on pages 55 through 60 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, including the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information listed in the table of contents, is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the Schedule of Expenditures of Federal Awards and other supplementary information listed in the table of contents 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 December 20 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
December 20, 2024

INTRODUCTION

This introduction to the District-wide financial statements provides background information regarding the financial position and activities of the Santa Barbara Community College District (the District) for the years ended June 30, 2024 and 2023. We encourage readers to consider the information presented in this Management's Discussion and Analysis in conjunction with the financial statements and accompanying notes to the financial statements.

Overview of the District-Wide Basic Financial Statements

The focus of the Statement of Net Position is designed to be similar to the bottom-line results of the District. This statement combines and consolidates current financial resources with capital assets and long-term liabilities. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities, which are supported primarily by local property taxes and State apportionment revenues. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District. The Notes to the Financial Statements provide additional information that is essential to the full understanding of the data provided in the District-wide financial statements.

This Annual Report

This annual report consists of the following sections:

- Management's Discussion and Analysis (MD&A) utilizing a current year/prior year format;
- District-Wide Basic Financial Statements, including required Notes to the Financial Statements; and
- Required Supplementary Information.

FINANCIAL HIGHLIGHTS

This section provides condensed information for each of the three basic financial statements, as well as illustrative charts, graphs, and tables.

- The District's primary funding is based upon an apportionment allocation made by the State of California, Community Colleges Chancellor's Office (Chancellor's Office). In 2018-2019, a new funding formula was implemented by the Chancellor's Office which modified the funding formula from relying solely on Full Time Equivalent Students (FTES) to determine funding for a district. The new funding formula, now called the Student-Centered Funding Formula (SCFF), includes three factors: the Base Funding Allocation (70%), a Supplemental Allocation (20%), and a Student Success Allocation (10%). For 2023-2024, the District funding details are below:
    - The Base Funding factor (75.0%) continues to be based on the FTES generated by the District.
    - The Supplemental Allocation (13.0%) is based on a count of the District's Pell Grant recipients, California College Promise Grant Recipients, and AB 540 Students.

- The Student Success Allocation (12.0%) is based on the number outcomes a district achieves in the following measures:
    - Associate degrees granted
    - Associate degrees for transfer granted
    - Baccalaureate degrees granted
    - Credit certificates (16 units or more)
    - Completion of transfer-level mathematics and English courses within first academic year of enrollment
    - Successful transfer to four-year university
    - Completion of nine or more CTE units
    - Attainment of a regional living wage

As noted above, the District's reported FTES remain the District's primary source of funding under SCFF. During fiscal years 2023-2024 and 2022-2023, the District's total resident FTES were 11,832 and 10,589, respectively. The increase in FTES resulted from growth across various enrollment types, including credit, noncredit, and dual enrollment programs. In 2023-2024 FTES recovered increasing by 1,243 FTES or 11.7%. The graph below depicts the District's five-year trend for FTES:

After the Chancellor's Office calculates the District's base apportionment, it reduces the net amount to be distributed by the amount of property taxes, Education Protection Act funds, and enrollment fees expected to be paid directly to the District. The matrix below lists the four components and illustrates the net effect of the actual receipts for fiscal year 2023-2024 as compared to fiscal year 2022-2023:

	2024	2023	Difference
Property Tax	$ 43,250,474	$ 41,226,026	$ 2,024,448
Enrollment Fees	6,861,734	7,064,488	(202,754)
Apportionment	44,445,792	40,794,799	3,650,993
Education Protection Act	10,559,902	6,201,622	4,358,280
Total	$ 105,117,902	$ 95,286,935	$ 9,830,967

CONDENSED DISTRICT-WIDE FINANCIAL INFORMATION IS AS FOLLOWS:

Condensed Statement of Net Position as of June 30, 2024 and 2023:

	2024	2023	Change
Assets			
Cash and investments	$ 120,071,302	$ 134,363,856	$ (14,292,554)
Receivables, net	23,093,417	16,039,286	7,054,131
Other current assets	2,634,363	2,529,680	104,683
Capital assets, net	134,816,530	135,373,292	(556,762)
Total assets	280,615,612	288,306,114	(7,690,502)
Deferred Outflows of Resources	38,394,009	30,039,518	8,354,491
Liabilities			
Accounts payable and accrued liabilities	74,832,113	80,106,631	(5,274,518)
Current portion of long-term liabilities	3,452,905	3,372,623	80,282
Noncurrent portion of long-term liabilities	161,380,920	156,172,150	5,208,770
Total liabilities	239,665,938	239,651,404	14,534
Deferred Inflows of Resources	17,866,797	23,152,597	(5,285,800)
Net Position			
Net investment in capital assets	80,941,015	79,028,667	1,912,348
Restricted	33,843,407	39,695,679	(5,852,272)
Unrestricted (deficit)	(53,307,536)	(63,182,715)	9,875,179
Total net position	$ 61,476,886	$ 55,541,631	$ 5,935,255

The preceding schedule has been prepared from the District's Statement of Net Position (page 16) which is presented on the accrual basis of accounting whereby assets are capitalized and depreciated. Cash and investments (above) consist primarily of funds held in the Santa Barbara County Treasury.

Total assets decreased by $7.7 million while net capital assets decreased by $0.6 million. The decrease in cash and investments is due primarily due to the increase in salaries and benefits, the timing of expenditures, decrease in accounts payable, and the increase in receivables. Current liabilities decreased by $5.3 million primarily due to accounts payable, related to payroll and benefits related accruals. Long-term liabilities increased by $5.3 million due to the increase in the net pension liability calculated as part of the GASB Statement No. 68 actuarial reports.

The changes in the deferred inflows and outflows related to pensions and OPEB are calculated as part of the GASB Statement No. 68 and No. 74 implementations, and will continue to fluctuate from year to year based on the changes in actuarial valuations for the CalPERS and CalSTRS systems, as well as the District's OPEB plan.

Condensed Statement of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2024 and 2023:

	2024	2023	Change
Operating Revenues			
Tuition and fees, net	$ 18,367,501	$ 17,954,743	$ 412,758
Grants and contracts, noncapital	47,621,285	62,729,268	(15,107,983)
Auxiliary enterprise sales and charges	2,517,159	4,263,113	(1,745,954)
Total operating revenues	68,505,945	84,947,124	(16,441,179)
Operating Expenses			
Salaries and benefits	122,026,556	106,583,508	15,443,048
Supplies, services, equipment, and maintenance	47,566,508	59,362,469	(11,795,961)
Student financial aid	25,640,507	20,734,298	4,906,209
Depreciation and amortization	5,586,661	5,852,596	(265,935)
Total operating expenses	200,820,232	192,532,871	8,287,361
Operating loss	(132,314,287)	(107,585,747)	(24,728,540)
Nonoperating Revenues (Expenses)			
State apportionments, noncapital	55,005,694	46,996,421	8,009,273
Property taxes	48,246,753	46,221,862	2,024,891
Student financial aid grants	18,295,211	16,922,506	1,372,705
State revenues	4,777,221	4,939,276	(162,055)
Net interest income (expense)	3,592,381	(1,289,549)	4,881,930
Other nonoperating revenues	8,261,049	5,790,596	2,470,453
Total nonoperating revenue (expenses)	138,178,309	119,581,112	18,597,197
Other Revenues	71,233	4,233,234	(4,162,001)
Change in net position	$ 5,935,255	$ 16,228,599	$ (10,293,344)

The schedule presented above has been prepared from the Statement of Revenues, Expenses, and Changes in Net Position. State general apportionment, while budgeted for operations, is considered nonoperating revenue according to the Governmental Accounting Standards Board's (GASB) prescribed reporting format. Grant and contracts revenue includes student financial aid, as well as specific Federal and State grants received for programs serving the students of the District.

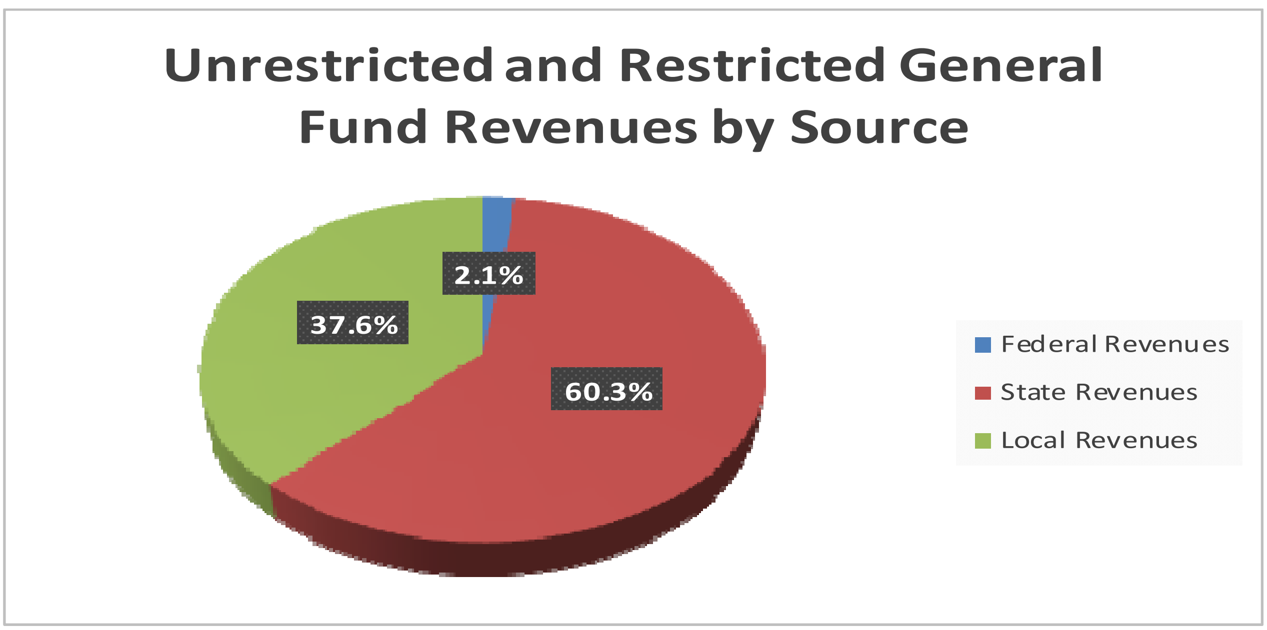
Overall, the District saw a net decrease in total revenues (operating, non-operating, other) largely due to a reduction in grants and contracts, noncapital. Operating expenses increased in 2023-2024 primarily due to the increases in salaries and benefits and student financial aid.

General Fund

While this Management's Discussion and Analysis and the District-wide financial statements report the financial position and results of operations for the District as a whole, the following pie charts are intended to give the reader information specific to the General Fund.

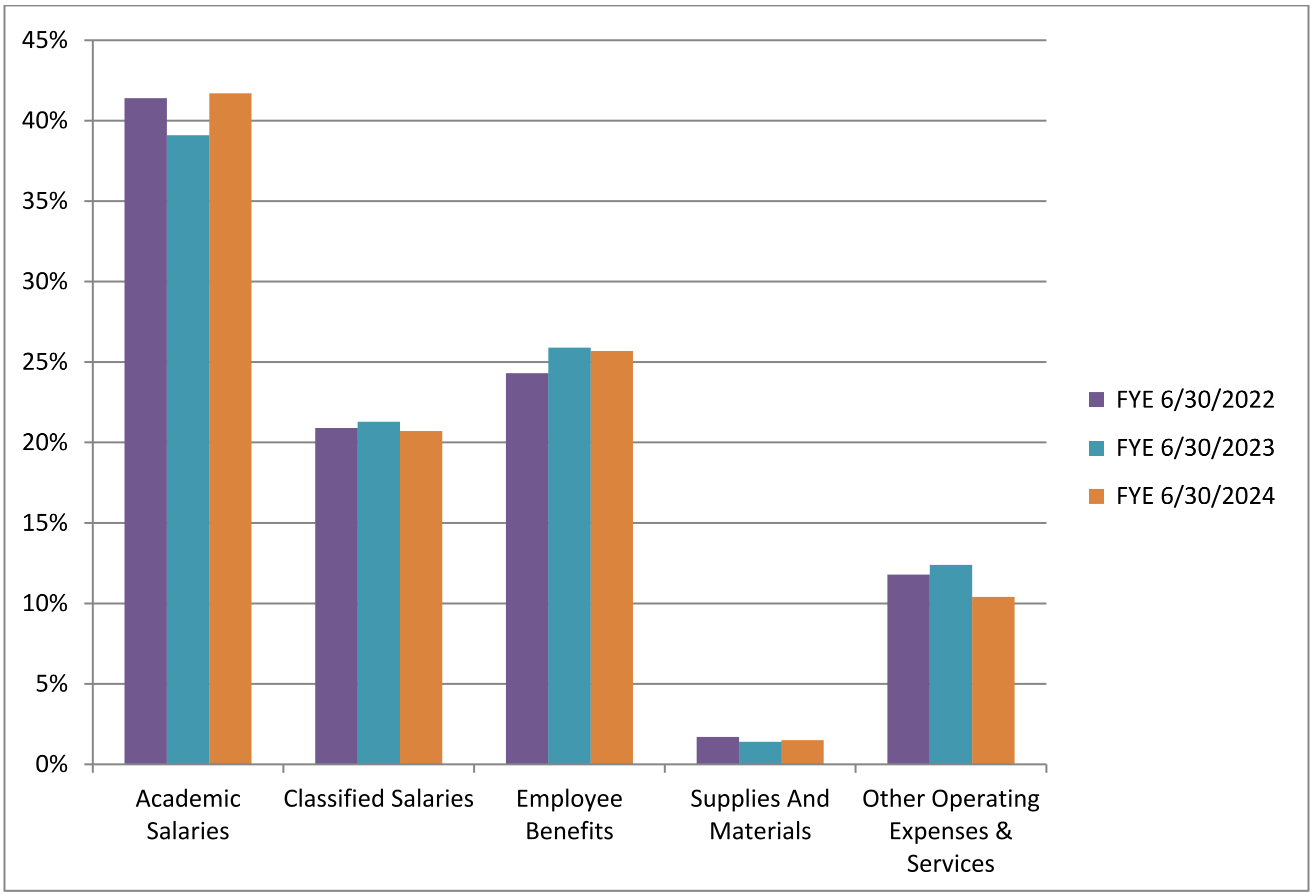
General Fund Revenues by Source

The chart below depicts the District's General Fund total revenues by source:



General Fund Expenditures by Type

The chart below depicts a three-year review of the District's Unrestricted General Fund expenditures by type as a percentage of total expenditures before transfers:



The District's 2023-2024 expenditures for employee salaries and benefits made up 88.1% of the total Unrestricted General Fund expenditures before transfers, compared to 86.3% in 2022-2023, and 89.4% in 2021-2022. All other 2023-2024 expenditure types made up 11.9% of total expenditures, which has decreased from 2021-2022 and 2022-2023.

Employee benefits increased in 2023-2024 due primarily to increases in CalPERS contribution rates and health and welfare benefits. The CalPERS rate projections continue to increase through 2027-2028. Salaries increased in 2023-2024 while supplies and materials and other operating expenses/services decreased during 2023-2024.

Expenditures by Activity

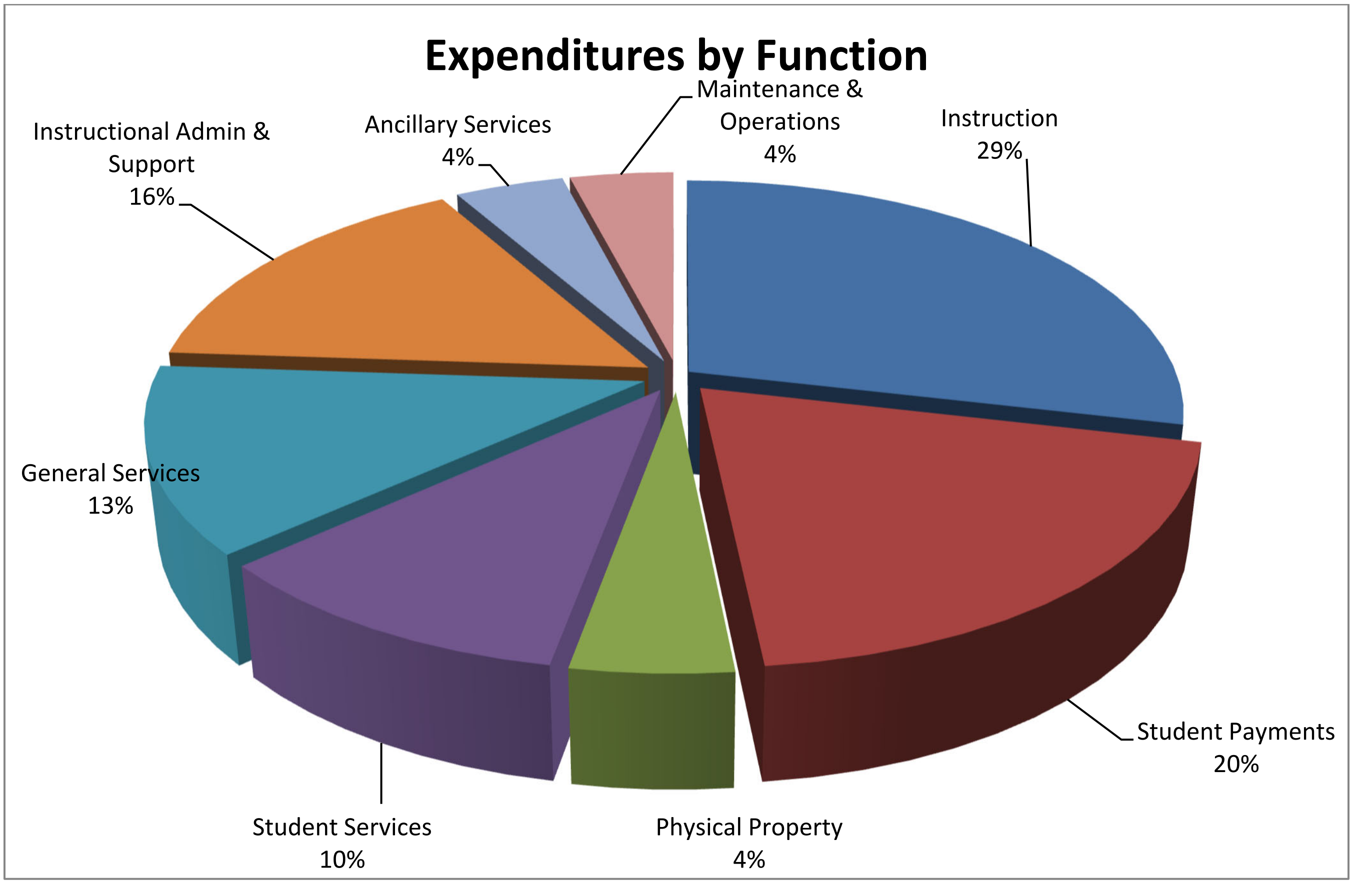
The following table summarizes the District's expenditures by activity for the year ended June 30, 2024:

	Salaries and Employee Benefits	Supplies, Materials, and Other Operating Expenses and and Services	Student Financial Aid	Equipment, Maintenance, and Repairs	Depreciation and Amortization	Total
Instructional activities	$ 63,104,575	$ 3,466,496	$ -	$ 253,294	$ -	$ 66,824,365
Instructional administration	10,598,210	20,598,782	-	487,188	-	31,684,180
Instructional support service	3,317,277	73,405	-	195,229	-	3,585,911
Student services	19,651,096	2,333,706	-	39,507	-	22,024,309
Plant operations and maintenance	4,696,641	3,843,792	-	1,168,381	-	9,708,814
Planning, policymaking and coordinations	1,863,986	452,580	-	22,093	-	2,338,659
Institutional support service	12,708,454	7,432,114	-	699,691	-	20,840,259
Community services	1,079,150	387,116	-	2,739	-	1,469,005
Ancillary services and auxiliary operations	5,007,167	4,583,701	-	47,864	-	9,638,732
Physical property and related acquisitions	-	42,935	-	1,435,895	-	1,478,830
Student aid	-	-	25,640,507	-	-	25,640,507
Unallocated depreciation and amortization	-	-	-	-	5,586,661	5,586,661
Total	$ 122,026,556	$ 43,214,627	$ 25,640,507	$ 4,351,881	$ 5,586,661	$ 200,820,232

The following pie chart groups the District's expenditures by activity into major functional areas. The chart definitions below identify which activities are included in each major functional area.

Chart Definitions:

- Instruction: Consists of direct instructional expenses.
- Student Payments: Primarily consists of financial aid payments to students.
- Physical Property: Depreciation, Non-capitalized construction, and purchases of small equipment.
- Student Services: Includes admissions and records, counseling, and other student service-related expenses.
- General Services: Includes planning and policy making, general institutional services, and community services.
- Instructional Admin & Support: Includes administrative expenses related to instruction, the library, and the learning resource center.
- Ancillary Services: Includes expenses related to the child development center, food service, parking, and co-curricular related expenses.
- Maintenance & Operations: Includes building maintenance, grounds maintenance, and custodial services.



Condensed Statement of Cash Flows for the years ended June 30, 2024 and 2023:

	2024	2023	Change
Net Cash Flows from			
Operating activities	$ (134,869,176)	$ (92,705,303)	$ (42,163,873)
Noncapital financing activities	119,952,723	118,341,338	1,611,385
Capital financing activities	(4,744,597)	3,565,348	(8,309,945)
Investing activities	5,368,496	102,343	5,266,153
Change in Cash and cash equivalents	(14,292,554)	29,303,726	(43,596,280)
Cash and cash equivalents, Beginning of Year	134,363,856	105,060,130	29,303,726
Cash and cash equivalents, End of Year	$ 120,071,302	$ 134,363,856	$ (14,292,554)

The previous schedule has been prepared from the Statement of Cash Flows presented on pages 18 and 19. This statement provides information about cash receipts and cash payments during the fiscal year. It also helps users assess the District's ability to generate positive net cash flows and its ability to meet its obligations as they come due.

The primary operating activities contributing to cash flow are student tuition and fees and noncapital Federal, State, local grants and contracts, and auxiliary sales, while the primary operating activity using cash flow throughout the year is the payment of salaries and benefits.

Even though State apportionment and property taxes are the primary source of District revenue (and cash flow), GASB accounting standards require that these sources of revenue be shown as nonoperating revenue since they come from the general resources of the State and not from the primary users of the District's programs and services (students). Nevertheless, the District depends upon this funding as the primary source of funds to continue operations.

Capital Assets

As of June 30, 2024, the District had approximately $248.1 million invested in capital assets, consisting of land, construction in progress, buildings and improvements, vehicles, other office equipment, right-to-use leased asset, and right-to-use subscription IT assets. These assets have accumulated depreciation/amortization of $113.3 million. In fiscal year 2023-2024, there were net capital asset additions in the amount of $3.0 million and depreciation/amortization expense of $5.6 million.

Note 6 to the financial statements provides additional information on capital assets, net of depreciation and amortization, is summarized below:

	2024	2023	Net Change
Land and construction in progress	$ 9,125,210	$ 8,939,113	$ 186,097
Buildings and improvements, net	122,453,089	123,610,637	(1,157,548)
Furniture and equipment, net	2,432,559	2,384,130	48,429
Right-to-use leased assets, net	253,293	285,514	(32,221)
Right-to-use subscription IT assets, net	552,379	153,898	398,481
Total capital assets, net	$ 134,816,530	$ 135,373,292	$ (556,762)

Long-Term Liabilities including OPEB and Pensions

At the end of the 2023-2024 fiscal year, the District had $55.4 million in General Obligation Bonds outstanding. The bonds are repaid in annual installments, in accordance with the obligation requirements for each debt issuance, by way of property tax assessments on property within the District's boundaries.

The District is also obligated to employees of the District for compensated absences, load banking, supplemental employee retirement plan, retiree health payments, lease liability, subscription-based IT arrangements, and pension liabilities.

Notes 7-9 in the financial statements provides additional information on long-term liabilities. A summary of long-term liabilities is presented below.

	2024	2023	Net Change
General obligation bonds	$ 55,402,716	$ 58,275,593	$ (2,872,877)
Loans payable	-	183,846	(183,846)
Lease liability	257,211	290,221	(33,010)
Subscription-based IT arrangements	369,815	166,898	202,917
Aggregate net OPEB liability	3,417,669	6,634,173	(3,216,504)
Aggregate net pension liability	100,050,390	88,164,253	11,886,137
Other long-term liabilities	5,336,024	5,829,789	(493,765)
Total long-term liabilities	$ 164,833,825	$ 159,544,773	$ 5,289,052
Amount due within one year	$ 3,452,905	$ 3,372,623	$ 80,282

Fund Balances

Fund balance is the difference between fund assets and fund liabilities in the District's funds.

Fund Type	Ending Fund Balance 6/30/23	Ending Fund Balance 6/30/24	Change in Fund Balance
General Funds	$ 44,019,200	$ 44,165,346	$ 146,146
Bond Interest and Redemption Fund	4,716,573	5,228,471	511,898
Capital Projects Funds	22,024,627	18,105,688	(3,918,939)
Enterprise Funds	7,287,525	6,613,855	(673,670)
Special Revenue Funds	2,832,899	2,148,367	(684,532)
Internal Service	127,970	148,246	20,276
Student Financial Aid	762,094	840,368	78,274
Total	81,770,888	77,250,341	(4,520,547)

Total ending fund balances decreased $4.5 million (5.5%) from $81.8 million to $77.3 million. Most of the change is due to the decrease in the capital projects' ending fund balance. This is due to a decrease in state funding and an increase in capital outlay expenditures.

In accordance with Board Policy 6305, the District's Board of Trustees has designated a portion of the Unrestricted General Fund balance as reserves. A reserve fund is an established prudent fiscal management tool, which buffers cash flow fluctuations and provides a resource for contingencies and reasonable yet unforeseen operational needs. The reserve includes 5% of annual projected Unrestricted General Fund expenditures, plus funds equivalent to any deferrals of the college's State apportionment or 15% of annual projected Unrestricted General Fund expenditures, whichever is greater.

The 2024-2025 Unrestricted General Fund reserve is $25.3 million, or approximately 20.0% of the annual projected Unrestricted General Fund expenditures for fiscal year 2024-2025.

FACTORS THAT MAY AFFECT THE FUTURE

Accreditation

The Accrediting Commission of Community and Junior Colleges (ACCJC), a branch of the Western Association of Schools and Colleges, accredits the District every seven years. Being an accredited college is of critical importance. This status allows the District to provide Federal financial aid to students, receive Federal funding, grant degrees to students with the certification of an accredited institution, and articulate courses with other colleges and universities. In June 2023, the ACCJC reaffirmed the District's accreditation status with the Midterm Report due October 15, 2025.

State Economy

The economic position of the District and the State of California are closely tied. The District receives over half of its unrestricted general fund revenue through State apportionments, with the remainder of revenues coming primarily from local property taxes, and student enrollment fees. These three sources comprise the District's general apportionment, the main funding support for California community colleges. The 2021 Budget Act extended SCFF's hold harmless provision through 2024-2025, ensuring that districts earn at least their 2017-2018 total computational revenue, adjusted annually for COLA. The 2022 Budget Act further extended these protections in a revised form, starting in 2025-2026. Beginning that year, a district's funding for 2024-2025 will serve as its new "floor." From 2025-2026 onward, districts will receive funding based on the higher of their SCFF-generated revenue for the year or their 2024-2025 "floor" amount. This updated hold harmless provision eliminates adjustments for cumulative COLAs, unlike the current model through 2024-2025, meaning the hold harmless amount will remain fixed and will not increase.

On June 26, 2024, the Governor signed the Budget Act of 2024, which projects $298 billion in state expenditures, a 4.2% decrease from the Budget Act of 2023. The 2024 Enacted Budget balances California's finances by aligning expenditures with realistic revenue projections, leveraging reserves for one-time costs, and prioritizing critical investments in areas like education, healthcare, and infrastructure. It avoids creating long-term financial obligations by directing temporary surpluses toward one-time projects and deferring less urgent expenses. Additionally, the budget includes measures to manage debt and reduce liabilities, ensuring long-term fiscal sustainability while maintaining flexibility to address economic uncertainties. The 2024 Enacted Budget balances its allocations for California Community Colleges by leveraging a combination of stable state revenue, federal funds, and targeted spending controls. The budget prioritizes long-term investments, such as facilities upgrades and workforce development, while maintaining a focus on sustainable growth through careful adjustments to SCFF. It integrates one-time funding for innovative programs, ensuring that ongoing costs do not exceed predictable revenue streams. By addressing critical student needs and aligning expenditures with statewide priorities, the budget reflects a balance between fiscal responsibility and investment in educational equity and infrastructure. The 2024 Enacted Budget includes about $143 million in ongoing policy adjustments of which $128 million is for a 1.07% SCFF cost-of-living adjustment (COLA) and a .5% SCFF growth.

State Teachers' Retirement System (CalSTRS) and Public Employees' Retirement System (CalPERS)

The District and the employee each pay a percentage of the employee's salary into one of these systems. The State of California has contributed to these systems as well. The rates paid are set by the CalPERS Board for CalPERS and by the State legislature for CalSTRS. Over the years, the employee rates for both systems have not changed, but the CalPERS Board has decreased or increased the employer contribution rate as deemed necessary. Currently, both systems are underfunded in terms of their total liability. The CalPERS Board projected (subject to change) and the State legislature set (in law) rates remain at 19.10% for CalSTRS and increase to 29.20% for CalPERS by fiscal year 2027-2028.

Employer Rates	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
CalSTRS	16.15%	16.92%	19.10%	19.10%	19.10%	19.10%	19.10%	19.10%
CalPERS	20.70%	22.91%	25.37%	26.68%	27.70%	27.80%	27.60%	27.60%

District Budget

- In 2024-2025, the District expects to maintain its enrollment from the 2023-2024 level. As such, the District will not benefit from full-time equivalent student (FTES) growth funding available within SCFF.

- The District received approval to use the Emergency Conditions Allowance, provided by the California Community Colleges Chancellor's Office. This allowed the District to base its 2022-2023 full-time equivalent student (FTES) on 2019-2020 P1 FTES (12,614). As part of the approval process, the District has committed to implement measures that will provide for an increase in FTES. The Emergency Conditions Allowance ended on June 30, 2023. The District shows a decline in FTES in 2023-24 from the 2019-2020 P1 FTES and has three years from 2023-2024 to restore these FTES.

- SCFF currently includes a Hold Harmless Provision, which guarantees apportionment funding of at least the 2017-2018 Total Computational Revenue (TCR), including adjustments for COLA, through 2024-2025. FY 2024-2025 will become the new hold harmless floor. The Hold Harmless Revenue in 2023-2024 was well below the 2023-2024 SCFF Calculated Revenue and therefore did not benefit SBCC. The District's SCFF Calculated Revenue in 2023-2024 was $101.1 million. The District's Hold Harmless Revenue is $93.3 million for 2023-2024. The District's 2023-2024 funding is based on the 2022-2023 SCFF Calculated Revenue + COLA for 2023-2024.

- There was an 8.22% COLA for 2023-2024 SCFF. For 2024-2025, the COLA for SCFF is 1.07%.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Santa Barbara Community College District, 721 Cliff Drive, Santa Barbara, California 93109.

Assets	
Cash and cash equivalents	$ 15,109,518
Investments	104,961,784
Accounts receivable	19,328,489
Student receivables, net	3,764,928
Prepaid expenses	2,364,021
Inventories	270,342
Capital assets not being depreciated or amortized	9,125,210
Capital assets, net of accumulated depreciation and amortization	125,691,320
Total assets	280,615,612
Deferred Outflows of Resources	
Deferred outflows of resources related to debt refunding	2,154,227
Deferred outflows of resources related to OPEB	333,135
Deferred outflows of resources related to pensions	35,906,647
Total deferred outflows of resources	38,394,009
Liabilities	
Accounts payable	25,062,859
Accrued interest payable	943,938
Unearned revenue	48,825,316
Long-term liabilities	
Long-term liabilities other than OPEB and pensions, due within one year	3,330,621
Total OPEB liability, due within one year	122,284
Long-term liabilities other than OPEB and pensions, due in more than one year	58,035,145
Aggregate net other postemployment benefits (OPEB) liability	3,295,385
Aggregate net pension liability	100,050,390
Total liabilities	239,665,938
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	5,967,629
Deferred inflows of resources related to pensions	11,899,168
Total deferred inflows of resources	17,866,797
Net Position	
Net investment in capital assets	80,941,015
Restricted for	
Debt service	4,284,533
Capital projects	18,105,688
Educational programs	8,121,789
Other activities	3,331,397
Unrestricted (deficit)	(53,307,536)
Total net position	$ 61,476,886

Operating Revenues	
Tuition and fees	$ 23,460,061
Less: Scholarship discounts and allowances	(5,092,560)
Net tuition and fees	18,367,501
Grants and contracts, noncapital	
Federal	3,710,839
State	43,529,607
Local	380,839
Total grants and contracts, noncapital	47,621,285
Auxiliary enterprise sales and charges	
Bookstore	2,517,159
Total operating revenues	68,505,945
Operating Expenses	
Salaries	91,295,028
Employee benefits	30,731,528
Supplies, materials, and other operating expenses and services	43,214,627
Student financial aid	25,640,507
Equipment, maintenance, and repairs	4,351,881
Depreciation and amortization	5,586,661
Total operating expenses	200,820,232
Operating Loss	(132,314,287)
Nonoperating Revenues (Expenses)	
State apportionments, noncapital	55,005,694
Local property taxes, levied for general purposes	43,250,474
Taxes levied for other specific purposes	4,996,279
Federal and State financial aid grants	18,295,211
State taxes and other revenues	4,777,221
Investment income, net	5,408,757
Interest expense on capital related debt	(1,919,037)
Investment income on capital asset-related debt, net	102,661
Other nonoperating revenues	8,261,049
Total nonoperating revenues (expenses)	138,178,309
Income Before Other Revenues	5,864,022
Other Revenues	
State revenues, capital	71,233
Change In Net Position	5,935,255
Net Position, Beginning of Year	55,541,631
Net Position, End of Year	$ 61,476,886

Operating Activities	
Tuition and fees	$ 16,069,657
Federal, state, and local grants and contracts, noncapital	58,078,497
Auxiliary sales	2,517,159
Payments to or on behalf of employees	(132,311,978)
Payments to vendors for supplies and services	(53,582,004)
Payments to students for scholarships and grants	(25,640,507)
Net cash flows from operating activities	(134,869,176)
Noncapital Financing Activities	
State apportionments	44,730,164
Federal and state financial aid grants	18,295,211
Property taxes - nondebt related	43,250,474
State taxes and other apportionments	4,855,454
Other nonoperating	8,821,420
Net cash flows from noncapital financing activities	119,952,723
Capital Financing Activities	
Purchase of capital assets	(4,423,324)
State revenue, capital	71,233
Property taxes - related to capital debt	4,996,279
Principal paid on capital debt	(3,130,663)
Interest paid on capital debt	(2,343,283)
Interest received on capital asset-related debt	85,161
Net cash flows from capital financing activities	(4,744,597)
Investing Activities	
Change in fair market value of cash in county treasury	17,500
Interest received from investments	5,350,996
Net cash flows from investing activities	5,368,496
Change In Cash and Cash Equivalents	(14,292,554)
Cash and Cash Equivalents, Beginning of Year	134,363,856
Cash and Cash Equivalents, End of Year	$ 120,071,302

Reconciliation of Net Operating Loss to Net Cash Flows from Operating Activities	
Operating Loss	$ (132,314,287)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation and amortization expense	5,586,661
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Receivables	3,641,354
Student receivables, net	(2,542,586)
Inventories	798,827
Prepaid expenses and other assets	(1,127,073)
Lease receivables	223,563
Deferred outflows of resources related to OPEB	46,943
Deferred outflows of resources related to pensions	(8,635,294)
Accounts payable	(10,494,948)
Unearned revenue	7,057,596
Compensated absences	133,429
Load banking	(7,357)
Supplemental employee retirement plan	(619,837)
Aggregate net OPEB liability	(3,216,504)
Aggregate net pension liability	11,886,137
Deferred inflows of resources related to leases	(220,559)
Deferred inflows of resources related to OPEB	2,935,411
Deferred inflows of resources related to pensions	(8,000,652)
Total adjustments	(2,554,889)
Net cash flows from operating activities	$ (134,869,176)
Cash and Cash Equivalents Consist of the Following:	
Cash on hand and in banks	$ 15,109,518
Cash with local agency investment fund	29,852
Cash in county treasury	104,931,932
Total cash and cash equivalents	$ 120,071,302
Noncash Transactions	
Amortization of deferred outflows of resources related to debt refunding	$ 233,860
Amortization of debt premiums	$ 612,877
Recognition of lease liabilities arising from obtaining right-to-use leased assets	$ 134,341
Recognition of subscription based IT arrangement liabilities arising from obtaining right-to-use subscription IT assets	$ 722,383

Note 1 - Organization

Santa Barbara Community College District (the District) was established in 1964 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected seven-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates one college and two campuses/centers located within Santa Barbara County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity

The District has adopted accounting policies to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District as defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board (GASB). The District identified no component units that met the criteria listed below.

The District has analyzed the financial and accountability relationship with the Foundation for Santa Barbara City College (the Foundation) in conjunction with the GASB Statement No. 61 criteria and it has been excluded from the District's reporting entity. The Foundation is a separate, not for profit organization, and the District does provide and receive direct benefits to and from the Foundation. The Board of Directors are elected by their own Board and independent of any District Board of Trustees appointments. The Board is responsible for approving its own budget, accounting, and finance related activities. Information on the Foundation may be requested through the Foundation for the Santa Barbara City College office.

Basis of Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. This presentation provides a comprehensive government-wide perspective of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, activities, and cash flows and replaces the fund group perspective previously required. The District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as promulgated by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office

Budget and Accounting Manual. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. For the District, operating revenues consist primarily of student fees, noncapital grants and contracts, and auxiliary sales.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance. The corresponding apportionment revenue is recognized in the period the FTES are generated. Revenue from Federal and State grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements may include time and/or purpose requirements.

Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances and local agency investment fund balances for purposes of the Statement of Cash Flows.

Investments

Investments are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value, including money market investments and participating interest-earning investment contracts with original maturities greater than one year, are stated at cost or amortized cost.

The District's investments in the County treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool are not required to be categorized within the fair value hierarchy.

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at $1,990,111 for the year ended June 30, 2024.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

Inventories

Inventories consist primarily of Campus Store merchandise held for resale to the students and faculty of the colleges. Inventories are stated at cost, utilizing the lower of cost or market or first-in, first-out (FIFO) method. The cost is recorded as an expense as the inventory is consumed rather than when purchased.

Capital Assets, Depreciation, and Amortization

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, buildings, building and land improvements, and equipment. The District maintains an initial unit cost capitalization threshold of $5,000 and an estimated useful life greater than one year. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure. Donated capital assets are recorded at acquisition value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset are capitalized; the costs of routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction in progress as the projects are constructed.

Depreciation of capital assets is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings and improvements, 50 years; portable buildings and building equipment, 15 years; land improvements, 10 years; equipment and vehicles, 8 years; technology equipment, 3 years.

The District records the value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, *Leases*. The right-to-use intangible asset is amortized each year for the term of the contract or useful life of the underlying asset.

The District records the value of right-to-use subscription IT assets based on the underlying subscription asset in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The right-to-use subscription IT asset is amortized each year for the term of the contract or useful life of the underlying asset.

The District records impairments of capital assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated useful life. Impairments are recorded to reduce the carrying value of the assets to their net realizable value based on facts and circumstances in existence at the time of the determination. No impairments were recorded during the year ended June 30, 2024.

Compensated Absences and Load Banking

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignation and retirements that occur prior to year-end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. The District also participates in “load banking” with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the government-wide financial statements.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District’s financial statements. However, retirement credit for unused sick leave is applicable to all classified members who retire after January 1, 1999. At retirement, each member will receive 0.004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

Debt Premiums

Debt premiums are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. All other bond issuance costs are expensed when incurred.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources related to debt refunding, for OPEB related items, and for pension related items. The deferred outflows of resources related to debt refunding resulted from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to OPEB and pension related items are associated with differences between expected and actual earnings on plan investments, changes of assumptions, and other OPEB and pension related changes.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for leases, OPEB, and pension related items.

Leases

The District recognizes a lease liability and an intangible right-to-use leased asset (leased asset) in the government-wide financial statements. At the commencement of the lease liability the District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

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

Subscription-based IT Arrangements

The District recognizes a subscription-based IT arrangement liability and an intangible right-to-use subscription IT asset (subscription IT asset) in the government-wide financial statements. At the commencement of the subscription-based IT arrangement liability the District measures the subscription-based IT arrangement liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT arrangement liability is reduced by the principal portion of subscription payments made. The subscription IT asset is initially measured as the initial amount of the subscription-based IT arrangement liability, plus certain initial direct costs. Subsequently, the subscription IT asset is amortized on a straight-line basis over shorter of the subscription term or useful life of the underlying asset.

Pensions

For purposes of measuring the aggregate net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The aggregate net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the aggregate net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and the CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the District Plan and the MPP. For this purpose, the District Plan and the MPP recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability will be paid primarily by the General Fund.

Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the Statement of Net Position and revenue is recognized. Unearned revenue is primarily composed of (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

Noncurrent Liabilities

Noncurrent liabilities include general obligation bonds, lease liability, subscription-based IT arrangements, compensated absences, load banking, supplemental employee retirement plan (SERP), aggregate net other postemployment benefits (OPEB) liability, and the aggregate net pension liability with maturities greater than one year.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The District has related debt outstanding as of June 30, 2024. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $33,843,407 of restricted net position.

Operating and Nonoperating Revenues and Expenses

Classification of Revenues - The District has classified its revenues as either operating or nonoperating. Certain significant revenue streams relied upon for operation are classified as nonoperating as defined by GASB. Classifications are as follows:

- **Operating revenues** - Operating revenues include activities that have the characteristics of exchange transactions such as tuition and fees, net of scholarship discounts and allowances, noncapital Federal, State, and local grants and contracts, and sales and services of auxiliary enterprises.

- **Nonoperating revenues** - Nonoperating revenues include activities that have the characteristics of nonexchange transactions such as State apportionments, property taxes, investment income, and other revenue sources defined by GASB.

Classification of Expenses - Nearly all of the District's expenses are from exchange transactions and are classified as either operating or nonoperating according to the following criteria:

- **Operating expenses** - Operating expenses are necessary costs to provide the services of the District and include employee salaries and benefits, supplies, operating expenses, and student financial aid.

- **Nonoperating expenses** - Nonoperating expenses include interest expense and other expenses not directly related to the services of the District.

State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are usually made in February of the subsequent year and are recorded in the District's financial records when received. When known and measurable, these recalculations and corrections are accrued in the year in which the FTES are generated.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Santa Barbara bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

The voters of the District passed a General Obligation Bond in 2008 for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above and remitted to the District when collected.

Scholarship Discounts and Allowances

Tuition and fee revenue is reported net of scholarship discounts and allowances. Fee waivers approved by the California Community College Board of Governors are included within the scholarship discounts, and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf.

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), and Federal Work-Study programs, as well as other programs funded by the Federal government and State of California. Financial aid provided to the student in the form of cash is reported as operating expenses in the Statement of Revenues, Expenses, and Changes in Net Position. Federal financial assistance programs are audited in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards*.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates, and those differences could be material.

Interfund Activity

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity within the primary government has been eliminated in the consolidation process of the basic financial statements.

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the primary government has been eliminated in the consolidation process of the basic financial statements.

Adoption of New Accounting Standard

Implementation of GASB Statement No. 100

As of July 1, 2023, the District adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of this standard requires additional presentation and disclosure requirements for accounting changes and error corrections. There was not a significant effect on the District's financial statements as a result of the implementation of the standard.

Note 3 - Deposits and Investments

Policies and Practices

The District is authorized under California *Government Code* to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury – In accordance with the *Budget and Accounting Manual*, the District maintains substantially all of its cash in the County Treasury as part of the common investment pool. The District is considered to be the involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Investment in the State Investment Pool - The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California *Government Code* Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in LAIF is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California *Government Code*. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Deposits and Investments

Deposits and investments as of June 30, 2024, consisted of the following:

	Primary Government
Cash on hand and in banks	$ 15,095,261
Cash in revolving	14,257
Investments	104,961,784
Total deposits and investments	$ 120,071,302

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District 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 rates. The District manages its exposure to interest rate risk by investing in the Santa Barbara County Investment Pool and the state investment pool LAIF.

Information about the sensitivity of the fair values of the District's investments to interest rate risk is provided by the following schedule that shows the distribution of the District's investments by maturity:

Investment Type	Fair Value	Weighted Average Days to Maturity
Santa Barbara County investment pool	$ 104,931,932	605
State investment pool (LAIF)	29,852	217
Total	$ 104,961,784	

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the Santa Barbara County Investment Pool and LAIF are not required to be rated, nor have they been rated as of June 30, 2024.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California *Government Code* requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2024, the District's bank balance of approximately $10.5 million was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Note 4 - Accounts Receivable

Accounts receivable as of June 30, 2024 consisted of the following:

	Primary Government
Federal Government	
Categorical aid	$ 1,321,055
State Government	
Apportionment	9,500,572
Categorical aid	120,323
Lottery	768,423
Local Sources	
Interest	631,689
Third party student receivables	3,687,442
Other local sources	3,298,985
Total	$ 19,328,489
Student receivables	$ 5,755,039
Less: allowance for bad debt	(1,990,111)
Student receivables, net	$ 3,764,928

Note 5 - Lease Receivables

The District has entered into a lease agreements with Kaplan, Inc. The lease receivable is summarized below:

Lease Receivables	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Kaplan, Inc. Facilities Lease	$ 223,563	$ -	$ (223,563)	$ -

Kaplan, Inc. Facilities Lease

The District leases portable classroom facilities for English-language educational programs. The lease is for a period of 5 years, ending December 31, 2024. The agreement calls for weekly payments to the District of $50 per week, per enrolled student with minimum monthly payments of $13,000. During the fiscal year, the District recognized $220,559 in lease revenue and $320 in interest revenue related to this agreement. The District used an interest rate of 1.69%, based on the 5-year Treasury Bond rate as of the date the lease went into effect.

Note 6 - Capital Assets

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

	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Capital Assets Not Being Depreciated or Amortized				
Land	$ 5,336,616	$ -	$ -	$ 5,336,616
Construction in progress	3,602,497	186,097	-	3,788,594
Total capital assets not being depreciated or amortized	8,939,113	186,097	-	9,125,210
Capital Assets Being Depreciated and Amortized				
Land improvements	657,403	-	(657,403)	-
Buildings and improvements	215,150,853	3,293,382	-	218,444,235
Furniture and equipment	18,516,015	693,696	-	19,209,711
Right-to-use leased equipment	898,238	134,341	(429,591)	602,988
Right-to-use subscription IT assets	747,284	722,383	(747,284)	722,383
Total capital assets being depreciated or amortized	235,969,793	4,843,802	(1,834,278)	238,979,317
Less Accumulated Depreciation and Amortization				
Land improvements	(657,403)	-	657,403	-
Buildings and improvements	(91,540,216)	(4,450,930)	-	(95,991,146)
Furniture and equipment	(16,131,885)	(645,267)	-	(16,777,152)
Right-to-use leased equipment	(612,724)	(166,562)	429,591	(349,695)
Right-to-use subscription IT assets	(593,386)	(323,902)	747,284	(170,004)
Total accumulated depreciation and amortization	(109,535,614)	(5,586,661)	1,834,278	(113,287,997)
Total capital assets, net	$ 135,373,292	$ (556,762)	$ -	$ 134,816,530

Note 7 - Long-Term Liabilities other than OPEB and Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year ended June 30, 2024 consisted of the following:

	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024	Due in One Year
General obligation bonds	$ 51,355,000	$ -	$ (2,260,000)	$ 49,095,000	$ 2,475,000
Bond premium	6,920,593	-	(612,877)	6,307,716	-
Lease liability	290,221	134,341	(167,351)	257,211	106,241
Subscription-based IT arrangements	166,898	722,383	(519,466)	369,815	129,543
Loans payable	183,846	-	(183,846)	-	-
Compensated absences	2,869,738	133,429	-	3,003,167	-
Load banking	1,549,508	-	(7,357)	1,542,151	-
Supplemental employee retirement plan	1,410,543	-	(619,837)	790,706	619,837
Total	$ 64,746,347	$ 990,153	$ (4,370,734)	$ 61,365,766	$ 3,330,621

Description of Long-Term Liabilities

Payments on the general obligation bonds are made by the bond interest and redemption fund with local property tax revenues. Payments for the lease liability will be made by the fund for which the equipment and vehicles was intended for. The compensated absences, load banking, and supplemental employee retirement plan will be paid by the fund for which the employee worked. The subscription-based IT arrangements will be paid by the fund for that utilizes the corresponding asset. Payments on the loans payable were made from the capital outlay projects fund.

General Obligation Bonds

General obligation bonds were approved by a local election in June 2008. The total amount approved by the voters was $77,242,012. At June 30, 2024, $77,240,000 has been issued, and $49,095,000 was outstanding. Interest rates on the bonds are 1.25% to 5.00%.

The bonds are being used for the purposes of financing the costs of renovating, acquiring, construction, repairing, and equipping District buildings and to pay all legal, financial, and contingent costs in connection with the issuance of the bonds. The bonds are general obligations of the District payable solely from the proceeds of ad valorem property taxes. Interest with respect of the bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year.

.

2008 General Obligation Bonds, Series B

During April 2013, the District issued the 2008 General Obligation Bonds, Series 2008B in the amount of $15,000,000. The bonds mature beginning on August 1, 2014 through August 1, 2038, with interest rates ranging from 1.25% to 5.00%. At June 30, 2024, the principal outstanding was $9,130,000 and unamortized premium cost of $715,555.

2008 General Obligation Bonds, Series C

During January 2016, the District issued the 2008 General Obligation Bonds, Series 2008C in the amount of $15,240,000. The bonds mature beginning on August 1, 2017 through August 1, 2040, with interest rates ranging from 3.15% to 5.00%. At June 30, 2024, the principal outstanding was $11,165,000 and unamortized premium cost of $1,118,270.

2016 General Obligation Refunding Bonds

During January 2016, the District issued the 2016 General Obligation Refunding Bonds in the amount of $36,275,000. The bonds have a final maturity to occur on August 1, 2033, with interest rates from 3.00% to 5.00%. The net proceeds of $44,935,468 (representing the principal amount of $36,275,000 plus premium on issuance of $8,660,468) from the issuance were used to advance refund a portion of the District's outstanding 2008 General Obligation Bonds, Series 2008A and pay the costs associated with the issuance of the refunding bonds. At June 30, 2024, the principal balance outstanding was $28,800,000 and unamortized premium received on issuance of the bonds amounted to $4,473,891.

Debt Maturity

General Obligation Bonds

Issue Date	Maturity Date	Interest Rate	Original Issue	Outstanding Bonds July 1, 2023	Issued	Redeemed	Outstanding Bonds June 30, 2024
4/18/2013	8/1/2038	1.25%-5.00%	$ 15,000,000	$ 9,575,000	$ -	$ (445,000)	$ 9,130,000
1/12/2016	8/1/2040	3.15%-5.00%	15,240,000	11,165,000	-	-	11,165,000
1/12/2016	8/1/2033	3.00%-5.00%	36,275,000	30,615,000	-	(1,815,000)	28,800,000
				$ 51,355,000	$ -	$ (2,260,000)	$ 49,095,000

Debt Service Requirement to Maturity

Fiscal Year	Principal	Current Interest to Maturity	Total
2025	$ 2,475,000	$ 2,205,900	$ 4,680,900
2026	2,740,000	2,080,250	4,820,250
2027	2,970,000	1,942,400	4,912,400
2028	3,190,000	1,796,100	4,986,100
2029	3,365,000	1,642,775	5,007,775
2030-2034	19,550,000	5,581,275	25,131,275
2035-2039	10,650,000	2,113,875	12,763,875
2040-2041	4,155,000	169,100	4,324,100
Total	$ 49,095,000	$ 17,531,675	$ 66,626,675

Leases

The District has entered into agreements to lease various equipment. The District's liability for lease agreements is summarized below:

Leases	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Equipment	$ 290,221	$ 134,341	$ (167,351)	$ 257,211

The District entered into various agreements to lease equipment, through June 2028. Under the terms of the leases, the District makes monthly payments ranging from $168 to $3,885, which amounted to total principal and interest costs of $173,607 for the year ending June 30, 2024. At June 30, 2024, the District recognized right-to-use leased assets net of accumulated amortization of $253,293 and lease liabilities of $257,211 related to these agreements. During the fiscal year, the District recorded $166,562 in amortization expense and $6,256 in interest expense for the right-to-use of the equipment. The District used discount rates between 0.36% - 2.95% bases on the 5-year Treasury rate for financing over a similar time period.

The District's liability on lease agreements is summarized below:

Fiscal Year	Principal	Interest	Total
2025	$ 106,241	$ 4,088	$ 110,329
2026	81,553	2,620	84,173
2027	40,943	1,347	42,290
2028	28,474	457	28,931
Total	$ 257,211	$ 8,512	$ 265,723

Loans Payable

On June 21, 2007, the District signed a Promissory Note and Loan Agreement for $1,950,000 with the State of California, Energy Resources Conservation and Development Commission (the Commission), in order to finance energy efficiency projects. The principal and interest at 3.95% per annum on the unpaid principal is due and payable in semiannual installments beginning on December 22, 2012. Loan funds were disbursed to the District on a reimbursement basis based on invoices submitted by the District which totaled $1,950,000. At June 30, 2024, the outstanding principal balance on the loan payable was paid in full.

Supplemental Employee Retirement Plan (SERP)

The District entered into several agreements with Keenan & Associates and Public Agency Retirement Services (PARS) to provide early retirement incentives for qualifying employees. Each incentive is payable by the District over a five-year period. As of June 30, 2024, the outstanding balance was $790,706.

Year Ending June 30,	
2025	$ 619,838
2026	170,868
Total	$ 790,706

Subscriptions-Based IT Arrangements (SBITAs)

The District entered into various SBITAs for the technological needs of the District and its students. At June 30, 2024, the District has recognized right-to-use subscriptions IT assets, net of accumulated amortization of $552,268 and SBITA liabilities of $369,815 related to these agreements. Under the terms of the SBITAs, the District makes payments ranging from $11,746 to $79,996 annually, which amounted to total principal and interest costs of $535,268 for the year ending June 30, 2024. During year ended June 30, 2024, the District recorded $323,902 in amortization expense and $15,802 in interest expense for the SBITAs. The District used discount rates between 2.97% and 3.95% based on the estimated incremental borrowing rate for financing over a similar time period.

The remaining principal and interest payment requirements for the SBITA obligation debt as of June 30, 2024, are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 129,543	$ 9,704	$ 139,247
2026	136,430	5,303	141,733
2027	90,246	2,699	92,945
2028	13,596	-	13,596
Total	$ 369,815	$ 17,706	$ 387,521

Note 8 - Aggregate Net Other Postemployment Benefit (OPEB) Liability

For the year ended June 30, 2024, the District reported an aggregate net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Aggregate Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 3,157,632	$ 333,135	$ 5,967,629	$ (202,280)
Medicare Premium Payment (MPP) Program	260,037	-	-	(31,870)
Total	$ 3,417,669	$ 333,135	$ 5,967,629	$ (234,150)

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Management of the Plan is vested in the District management.

Plan Membership

At June 30, 2024, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	14
Active employees	434
Total	448

Benefits Provided

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

Contributions

The benefit payment requirements of the Plan members and the District are established and may be amended by the District and the District's bargaining units. The benefit payment is based on projected pay-as-you-go financing requirements as determined annually through the agreements with the District. For the measurement period of June 30, 2024, the District paid $203,375 in benefits.

Total OPEB Liability of the District

The District's total OPEB liability of $3,157,632 was measured as of June 30, 2024, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following assumptions, were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	2.75 percent
Discount rate	3.93 percent
Healthcare cost trend rates	4.00 percent

The discount rate was based on the Bond Buyer 20-Bond General Obligation Index.

Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2021 CalPERS Active Mortality for Miscellaneous Employees Table for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actual experience study as of June 2024.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance, June 30, 2023	$ 6,342,266
Service cost	385,565
Interest	234,818
Differences between expected and actual experience	(1,027,843)
Changes of assumptions	(2,573,799)
Benefit payments	(203,375)
Net change in total OPEB liability	(3,184,634)
Balance, June 30, 2024	$ 3,157,632

There were no changes in benefit terms since the previous valuation.

Changes of assumptions reflect a change in the discount rate from 3.65% to 3.93% since the previous valuation. The mortality assumptions were updated for classified employees from using the 2017 CalPERS Mortality for Miscellaneous and School Employees table to the 2021 CalPERS Mortality for Miscellaneous and School Employees table since the previous valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Total OPEB Liability
1% decrease (2.93%)	$ 3,374,187
Current discount rate (3.93%)	3,157,632
1% increase (4.93%)	2,951,818

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percent lower or higher than the current healthcare cost trend rate:

Healthcare Cost Trend Rate	Total OPEB Liability
1% decrease (3.00%)	$ 2,832,656
Current healthcare cost trend rate (4.00%)	3,157,632
1% increase (5.00%)	3,534,358

Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 3,151,685
Changes of assumptions	333,135	2,815,944
Total	$ 333,135	$ 5,967,629

The deferred outflows/(inflows) of resources related to differences between expected and actual experience in the measurement of the total OPEB liability and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits as of the beginning of the measurement period. The EARSL for the measurement period is 11.0 years and will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ (619,288)
2026	(619,288)
2027	(619,288)
2028	(619,288)
2029	(619,288)
Thereafter	(2,538,054)
Total	$ (5,634,494)

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB) Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California *Education Code* Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2024, the District reported a liability of $260,037 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating entities, actuarially determined. The District's proportionate share for the measurement period ending June 30, 2023 and June 30, 2022, was 0.0857%, and 0.0886%, respectively, resulting in a net decrease in the proportionate share of 0.0029%.

For the year ended June 30, 2024, the District recognized OPEB expense of $(31,870).

Actuarial Methods and Assumptions

The June 30, 2023 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total OPEB liability to June 30, 2023, using the assumptions listed in the following table:

Measurement Date	June 30, 2023
Valuation Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.65%
Medicare Part A Premium Cost Trend Rate	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2022, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 179 or an average of 0.13% of the potentially eligible population (138,780).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2023, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2023, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2023, was 3.65%, which is an increase of 0.11% from 3.54% as of June 30, 2022.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net OPEB Liability
1% decrease (2.65%)	$ 282,606
Current discount rate (3.65%)	260,037
1% increase (4.65%)	240,412

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the current Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using the Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rates	Net OPEB Liability
1% decrease (3.50% Part A and 4.40% Part B)	$ 239,260
Current Medicare costs trend rates (4.50% Part A and 5.40% Part B)	260,037
1% increase (5.50% Part A and 6.40% Part B)	283,493

Note 9 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ended June 30, 2024, the District reported its proportionate share of the aggregate net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Aggregate Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 44,125,824	$ 13,749,131	$ 7,652,403	$ 4,121,846
CalPERS	55,924,566	22,157,516	4,246,765	7,675,416
Total	$ 100,050,390	$ 35,906,647	$ 11,899,168	$ 11,797,262

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers' Retirement Plan (STRP) administered by CalSTRS. STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The STRP provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus, disclosures are not included for the other plans.

The STRP Defined Benefit Program provisions and benefits in effect at June 30, 2024, are summarized as follows:

Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	19.10%	19.10%
Required State contribution rate	10.828%	10.828%

Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and are detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with California Assembly Bill 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2024, are presented above, and the District's total contributions were $8,585,956.

.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share:	
District's proportionate share of net pension liability	$ 44,125,824
State's proportionate share of net pension liability associated with the District	21,141,923
Total	$ 65,267,747

The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2023 and June 30, 2022, was 0.0579% and 0.0590%, respectively, resulting in a net decrease in the proportionate share of 0.0011%.

For the year ended June 30, 2024, the District recognized pension expense of $4,121,846. In addition, the District recognized pension expense and revenue of $2,875,886 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 8,585,956	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	1,251,231	5,291,448
Differences between projected and actual earnings on pension plan investments	188,876	-
Differences between expected and actual experience in the measurement of the total pension liability	3,467,563	2,360,955
Changes of assumptions	255,505	-
Total	$ 13,749,131	$ 7,652,403

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earning on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ (1,388,232)
2026	(2,175,603)
2027	3,575,278
2028	177,433
Total	$ 188,876

The deferred outflows/(inflows) of resources related to the changes in proportion and differences between contributions made and Districts proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ (963,148)
2026	(610,735)
2027	(921,688)
2028	(709,472)
2029	(104,990)
Thereafter	631,929
Total	$ (2,678,104)

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2023, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	38%	5.25%
Private equity	14%	6.75%
Real estate	15%	4.05%
Inflation sensitive	7%	3.65%
Fixed income	14%	2.45%
Risk mitigating strategies	10%	2.25%
Cash/liquidity	2%	0.05%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District's proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 74,017,548
Current discount rate (7.10%)	44,125,824
1% increase (8.10%)	19,297,263

California Public Employees' Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022, annual actuarial valuation report, and the Schools Pool Actuarial Valuation. These reports and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS School Employer Pool provisions and benefits in effect at June 30, 2024, are summarized as follows:

Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	8.00%
Required employer contribution rate	26.68%	26.68%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024, are presented above and the total District contributions were $7,961,115.

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

As of June 30, 2024, the District reported a net pension liability for its proportionate share of the CalPERS net pension liability totaling $55,924,566. The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2023 and June 30, 2022, was 0.1545% and 0.1370%, respectively, resulting in a net increase in the proportionate share of 0.0175%.

For the year ended June 30, 2024, the District recognized pension expense of $7,675,416. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 7,961,115	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	3,605,591	3,387,846
Differences between projected and actual earnings on pension plan investments	5,973,543	-
Differences between expected and actual experience in the measurement of the total pension liability	2,040,845	858,919
Changes of assumptions	2,576,422	-
Total	$ 22,157,516	$ 4,246,765

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 1,114,298
2026	660,139
2027	4,013,203
2028	185,903
Total	$ 5,973,543

The deferred outflows/(inflows) of resources related to the changes in proportion and differences between contributions made and the District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 862,118
2026	1,505,578
2027	1,608,397
Total	$ 3,976,093

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	6.90%
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity - cap-weighted	30%	4.54%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	(5%)	(0.59%)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on the School Employer Pool investments was applied to all periods of projected benefit payments to determine total pension liability.

The following presents the District’s proportionate share of the net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.90%)	$ 80,852,467
Current discount rate (6.90%)	55,924,566
1% increase (7.90%)	35,322,223

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of $3,381,683 (10.828% of annual payroll). Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 10 - Participation in Public Entity Risk Pools and Joint Powers Authorities

The District participates in a joint powers agreement (JPA) with the Alliance of Schools for Cooperative Insurance Programs (ASCIP). ASCIP was established to provide services necessary and appropriate for the development, operation, and maintenance of a self-insurance system for primary general and automobile liability coverage protection for claims against the public educational agencies in California who make up the ASCIP membership.

The general and automobile liability coverage provides up to $5,000,000 in limits less the District's self-insured retention (SIR) of $25,000 per occurrence. The District has also purchased $1,000,000 of cyber liability coverage. Each member district is entitled to cast one vote to elect governing board representative(s) to represent the member district on ASCIP's governing board. The governing board is responsible for establishing premium rates and making budget and operational decisions for ASCIP independent of any influence by the District beyond their board member representation. Each member district shares surpluses and deficits proportionate to their participation in ASCIP.

The relationship between the District and ASCIP is such that ASCIP is not a component unit of the District for financial reporting purposes under the criteria of GASB.

Southern California Community College Districts Joint Powers Authority (SCCCD)

The District participates in an additional banking JPA for workers' compensation self-insurance coverage through the Southern California Community College Districts Joint Powers Authority (SCCCD). SCCCD provides workers' compensation coverage and a reserve to be used toward funding long-term retiree health insurance liabilities for its six member districts. Payments transferred to funds maintained under the JPA are expensed when made. Based upon an actuarial study, District administrators are of the opinion that the procedures for accumulating and maintaining reserves are sufficient to cover future contingencies under potential workers' compensation claims; however, the reserve for retiree health insurance is not yet sufficient to cover future potential payments. The JPA participates in the Protected Insurance Programs for Schools (PIPS), a pooled risk JPA. The purpose of the program is to provide workers' compensation insurance coverage at competitive group rates.

The relationship between the District and the SCCCD is such that the SCCCD is not a component unit of the District for financial reporting purposes under the criteria of GASB.

Schools Excess Liability Fund (SELF)

The District participates in a joint venture under a JPA with the Schools Excess Liability Fund (SELF). SELF was established to provide excess general and automobile liability coverage. The excess liability limits are designed to follow the primary liability limits provided by ASCIP. Coverage under the current program provides for the payment of covered claims incurred by the District up to $20,000,000 per occurrence. The District absorbs the first $5,000,000 of liability (which is comprised of the District's SIR, ASCIP, and SELF limits). Each member district is assessed a premium in accordance with the joint powers agreement.

The relationship between the District and SELF is such that SELF is not a component unit of the District for financial reporting purposes under the criteria of GASB.

Note 11 - Commitments and Contingencies

Grants

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2024.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2024.

Construction Commitments

As of June 30, 2024, the District had approximately $815,600 in commitments with respect to unfinished capital projects. The projects are funded through a combination of general fund contributions and capital project apportionments from the California State Chancellor's Office.

Note 12 - Subsequent Event

On October 31, 2004, the District issued the 2024 General Obligation Refunding Bonds, Series A and Series B, in the amounts of $7,450,000 and $6,835,000, respectively. The bonds were issued to refund portions of the outstanding Election 2008 General Obligation Bonds, Series B and 2016 General Obligation Refunding Bonds. The bonds were issued with interest rates ranging from 4.125% to 5.000%, with interest on the bonds payable semiannually on February 1 and August 1st of each year, commencing February 1, 2025.

Required Supplementary Information
June 30, 2024

Santa Barbara Community College District

	2024	2023	2022	2021	2020
Total OPEB Liability					
Service cost	$ 385,565	$ 381,920	$ 537,754	$ 520,044	$ 626,179
Interest	234,818	214,632	179,870	170,796	274,758
Difference between expected and actual experience	(1,027,843)	-	(2,148,704)	-	(1,091,436)
Changes of assumptions	(2,573,799)	(52,275)	(591,675)	26,257	375,795
Benefit payments	(203,375)	(148,211)	(179,010)	(145,166)	(292,804)
Net change in total OPEB liability	(3,184,634)	396,066	(2,201,765)	571,931	(107,508)
Total OPEB Liability - Beginning	6,342,266	5,946,200	8,147,965	7,576,034	7,683,542
Total OPEB Liability - Ending	$ 3,157,632	$ 6,342,266	$ 5,946,200	$ 8,147,965	$ 7,576,034
Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

	2019	2018
Total OPEB Liability		
Service cost	$ 582,246	$ 566,663
Interest	248,670	248,749
Difference between expected and actual experience	-	-
Changes of assumptions	177,632	-
Benefit payments	(277,491)	(266,818)
Net change in total OPEB liability	731,057	548,594
Total OPEB Liability - Beginning	6,952,485	6,403,891
Total OPEB Liability - Ending	$ 7,683,542	$ 6,952,485
Covered Payroll	N/A[1]	N/A[1]
Total OPEB Liability as a Percentage of Covered Payroll	N/A[1]	N/A[1]
Measurement Date	June 30, 2019	June 30, 2018

[1] The OPEB Plan is not administered through a trust and contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

Note: In the future, as data becomes available, ten years of information will be presented.

Year ended June 30,	2024	2023	2022	2021	2020
Proportion of the net OPEB liability	0.0857%	0.0886%	0.0961%	0.1149%	0.1206%
Proportionate share of the net OPEB liability	$ 260,037	$ 291,907	$ 383,330	$ 487,080	$ 449,290
Covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	(0.96%)	(0.94%)	(0.80%)	(0.71%)	(0.81%)
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019

Year ended June 30,	2019	2018
Proportion of the net OPEB liability	0.1165%	0.1230%
Proportionate share of the net OPEB liability	$ 446,031	$ 517,617
Covered payroll	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	(0.40%)	0.01%
Measurement Date	June 30, 2018	June 30, 2017

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

Note : In the future, as data becomes available, ten years of information will be presented.

	2024	2023	2022	2021	2020
CalSTRS					
Proportion of the net pension liability	0.0579%	0.0590%	0.0639%	0.0660%	0.0682%
Proportionate share of the net pension liability	$ 44,125,824	$ 41,028,127	$ 29,095,805	$ 63,922,901	$ 61,596,241
State's proportionate share of the net pension liability associated with the District	21,141,923	20,546,726	14,639,881	32,952,263	33,604,862
Total	$ 65,267,747	$ 61,574,853	$ 43,735,686	$ 96,875,164	$ 95,201,103
Covered payroll	$ 41,139,026	$ 36,958,115	$ 37,508,700	$ 39,925,684	$ 40,032,181
Proportionate share of the net pension liability as a percentage of its covered payroll	107.26%	111.01%	77.57%	160.10%	153.87%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
CalPERS					
Proportion of the net pension liability	0.1545%	0.1370%	0.1587%	0.1669%	0.1694%
Proportionate share of the net pension liability	$ 55,924,566	$ 47,136,126	$ 32,265,308	$ 51,196,622	$ 49,362,899
Covered payroll	$ 26,366,606	$ 23,506,918	$ 22,203,633	$ 23,501,978	$ 23,967,506
Proportionate share of the net pension liability as a percentage of its covered payroll	212.10%	200.52%	145.32%	217.84%	205.96%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019

	2019	2018	2017	2016	2015
CalSTRS					
Proportion of the net pension liability	0.0649%	0.0680%	0.0764%	0.0808%	0.0798%
Proportionate share of the net pension liability	$ 59,667,530	$ 62,848,497	$ 61,801,366	$ 54,372,346	$ 46,749,600
State's proportionate share of the net pension liability associated with the District	34,162,451	37,180,640	35,182,415	28,756,977	28,161,175
Total	$ 93,829,981	$ 100,029,137	$ 96,983,781	$ 83,129,323	$ 74,910,775
Covered payroll	$ 37,347,256	$ 38,566,280	$ 39,287,661	$ 37,716,059	$ 35,546,073
Proportionate share of the net pension liability as a percentage of its covered payroll	159.76%	162.96%	157.30%	144.16%	131.52%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%
Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS					
Proportion of the net pension liability	0.1652%	0.1804%	0.1949%	0.1976%	0.2053%
Proportionate share of the net pension liability	$ 44,046,185	$ 43,067,307	$ 38,489,418	$ 29,127,988	$ 23,306,549
Covered payroll	$ 21,791,147	$ 22,024,726	$ 23,383,017	$ 21,319,599	$ 21,497,297
Proportionate share of the net pension liability as a percentage of its covered payroll	202.13%	195.54%	164.60%	136.63%	108.42%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%
Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

	2024	2023	2022	2021	2020
CalSTRS					
Contractually required contribution	$ 8,585,956	$ 7,857,554	$ 6,253,313	$ 6,057,655	$ 6,827,292
Contributions in relation to the contractually required contribution	(8,585,956)	(7,857,554)	(6,253,313)	(6,057,655)	(6,827,292)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 44,952,649	$ 41,139,026	$ 36,958,115	$ 37,508,700	$ 39,925,684
Contributions as a percentage of covered payroll	19.10%	19.10%	16.92%	16.15%	17.10%
CalPERS					
Contractually required contribution	$ 7,961,115	$ 6,689,208	$ 5,385,435	$ 4,596,152	$ 4,634,825
Contributions in relation to the contractually required contribution	(7,961,115)	(6,689,208)	(5,385,435)	(4,596,152)	(4,634,825)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 29,839,262	$ 26,366,606	$ 23,506,918	$ 22,203,633	$ 23,501,978
Contributions as a percentage of covered payroll	26.680%	25.370%	22.910%	20.700%	19.721%

	2019	2018	2017	2016	2015
CalSTRS					
Contractually required contribution	$ 6,517,239	$ 5,389,209	$ 4,851,638	$ 4,215,566	$ 3,349,186
Contributions in relation to the contractually required contribution	(6,517,239)	(5,389,209)	(4,851,638)	(4,215,566)	(3,349,186)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 40,032,181	$ 37,347,256	$ 38,566,280	$ 39,287,661	$ 37,716,059
Contributions as a percentage of covered payroll	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS					
Contractually required contribution	$ 4,329,011	$ 3,384,383	$ 3,058,794	$ 2,770,186	$ 2,509,530
Contributions in relation to the contractually required contribution	(4,329,011)	(3,384,383)	(3,058,794)	(2,770,186)	(2,509,530)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 23,967,506	$ 21,791,147	$ 22,024,726	$ 23,383,017	$ 21,319,599
Contributions as a percentage of covered payroll	18.062%	15.531%	13.888%	11.847%	11.771%

Note 1 - Purpose of Schedules

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances. As of June 30, 2024, the District had no assets accumulated in a trust that meets the criteria outlined in paragraph 4 of GASB Statement No. 75 to related OPEB benefits. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* - Changes of assumptions reflect a change in the discount rate from 3.65% to 3.93% since the previous valuation. The mortality assumptions were updates for classified employees from using the 2017 CalPERS Mortality for Miscellaneous and School Employees table to the 2021 CalPERS Mortality for Miscellaneous and School Employees table since the previous valuation.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 3.54% to 3.65% since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the Plans' fiduciary net positions and, when applicable, the State's proportionate share of the NPL associated with the District.

- *Changes in Benefit Terms* – There were no changes in benefit terms for the CalSTRS or CalPERS plans since the previous valuations.
- *Changes of Assumptions* – There were no changes in economic assumptions for the CalSTRS or CalPERS plans since the previous valuations.

Schedule of District Contributions for Pensions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution.

Supplementary Information
June 30, 2024

Santa Barbara Community College District

Santa Barbara Community College District was established in 1964. There were no changes in the boundaries of the District during the current year. The District's college is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

Board of Trustees as of June 30, 2024

Member	Office	Term Expires
Mr. Jonathan Abboud	President	2026
Dr. Anna Everett	Vice President	2024
Ms. Marsha S. Croninger	Member	2026
Ms. Veronica Gallardo	Member	2024
Dr. Charlotte A. Gullap-Moore	Member	2026
Mr. Robert K. Miller	Member	2024
Ms. Ellen Stoddard	Member	2026
Mr. Bruce Tan	Student Trustee	2025

Administration as of June 30, 2024

Dr. Erika Endrijonas	Superintendent/President
Dr. María Villagómez	Assistant Superintendent/Vice President, Academic Affairs
Mr. Brian Fahnestock	Interim Assistant Superintendent/Vice President, Business Services
Ms. Paloma Arnold	Assistant Superintendent/Vice President, Student Affairs
Mr. Daniel Le Guen-Schmidt	Assistant Superintendent/Vice President, Human Resources
Ms. Carola Smith	Assistant Superintendent/Vice President, School of Extended Learning

Auxiliary Organizations in Good Standing

The Foundation for Santa Barbara City College, established 1976
Master agreement revised June 2022
Bobbi Abram, Chief Executive Officer

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063		$ 11,447,363
Federal Direct Student Loans	84.268		4,324,799
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		291,593
Federal Work-Study Program	84.033		165,484
Subtotal Student Financial Assistance Cluster			16,229,239
Title III - STEM	84.031C		185,914
Restructuring to Innovate for Student Excellence (RISE)	84.031S		505,873
Student-Ready: Degree Completion for the Flexible Learner	84.031S		339,961
Inside and Outside the Online Classroom (SBCC's El Campus Invertido/The Flipped Campus)	84.031S		42,614
Title V - HSI La Experencia en SBCC	84.031S		425,204
Subtotal			1,499,566
Passed through California Community Colleges Chancellor's Office			
Career and Technical Education Act (CTEA), Title I, Part C	84.048A	23-C01-650	713,622
Regional Collaboration and Coordination Grant	84.048A	[1]	223,417
Subtotal			937,039
Passed through California Department of Education (CDE)			
Workforce Innovation and Opportunity Act, Title II: Adult Education and Family Literacy Act	84.002A	13978, 14508, 14109	286,940
Total U.S. Department of Education			18,952,784
U.S. Department of the Treasury			
Passed through California Community Colleges Chancellor's Office			
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	[1]	499,962
Total U.S. Department of the Treasury			499,962
National Science Foundation			
Research and Development Cluster			
Passed through the Regents of the University of California, Santa Barbara			
ESTEEM -Enhancing Success in Transfer Education for Engineering Majors	47.076	KK1729	40,000
A California Central-Coast Partnership for Industry-focused Micro/nanotechnology Education	47.076	KK2018	172,773
Passed through Allan Hancock Community College District			
Louis Stokes B2B Alliance: CA Central Coast Community College Collaborative	47.076	NSFC6-06	14,612
Subtotal Research and Development Cluster			227,385

[1] Pass-Through Entity Identifying Number not available.

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through California Department of Social Services			
Child and Adult Care Food Program	10.558	04381-CACFP-42-CC-IC	$ 18,583
Total U.S. Department of Agriculture			18,583
U.S. Department of Defense			
Passed through the Regents of the University of California, Santa Barbara			
SciTrek Biotech	12.006	K2222	3,891
Total U.S. Department of Defense			3,891
U.S. Department of Labor			
Passed through the County of Santa Barbara			
Pathway Home 2	17.270	[1]	1,391
Total U.S. Department of Labor			1,391
U.S. Department of Health and Human Services			
Passed through California Community Colleges Chancellor's Office			
Temporary Assistance for Needy Families (TANF)	93.558	[1]	38,376
Foster and Kinship Care Education	93.658	[1]	29,673
Total U.S. Department of Health and Human Services			68,049
Total Federal Financial Assistance			$ 19,772,045

[1] Pass-Through Entity Identifying Number not available.

Program	Program Revenues: Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Adult Ed Program	$ 2,027,093	$ -	$ 1,217,225	$ 809,868	$ 809,868
Basic Needs Centers	855,965	-	640,624	215,341	215,341
BFAP Board Financial Assistance	543,817	369	-	544,186	544,186
Cal Grant	1,365,099	106,602	-	1,471,701	1,496,272
Cal Works	322,344	-	223,044	99,300	99,300
CALFRESH OUTREACH SB85	16,263	-	10,064	6,199	6,199
California College Promise AB19	3,254,903	-	2,058,342	1,196,561	1,196,561
CARE	578,338	-	475,860	102,478	102,478
Chafee Grant	67,500	-	-	67,500	62,500
Child and Adult Care Food Program	827	-	-	827	827
Child Development Program	267,594	-	-	267,594	267,594
College Rapid Rehousing Fund	1,723,275	-	1,704,626	18,649	18,649
Credit Student Success	400	-	-	400	-
CTE Data Unlock Sub Award	50,000	-	29,560	20,440	20,440
Culturally Competent Faculty PD	200,396	-	200,396	-	-
Culturally Responsive Pedagogy IBP	149,961	-	91,620	58,341	58,341
Disabled Students Programs	3,190,971	-	1,231,535	1,959,436	1,959,436
Disaster Relief Emergency Student	251	-	251	-	-
EEO Best Practices	208,333	-	170,743	37,590	37,590
EEO Innovative Best Practices	149,998	-	149,998	-	-
Emergency Financial Aid Supplemental	765,197	-	158,591	606,606	405,412
Equitable Placement and Completion	539,074	-	417,388	121,686	121,686
Extended Opportunity Program and Services	2,797,524	-	571,886	2,225,638	2,225,638
Faculty and Staff Development	36,586	-	34,588	1,998	1,998
Financial Aid Media Campaign	615,722	-	-	615,722	615,722
Financial Aid Technology	205,762	-	120,621	85,141	85,141

Program	Program Revenues: Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Foster Parent Grant (60%)	$ 83,362	$ 13,352	$ -	$ 113,065	$ 113,065
Golden State Education and Training	2,100	-	2,100	-	-
Guided Pathways	299,977	-	117,428	182,549	182,549
Healthcare Vocational Pathways CAEP	252,904	-	249,754	3,150	3,150
K-12 Strong Workforce	21,710,364	-	11,352,592	10,357,772	10,357,772
K12 Strong Workforce TAP - PCs	1,750,724	-	632,928	1,117,796	1,117,796
Learning-Aligned Employment Program	145,485	-	-	145,485	145,485
LGBTQ+	190,741	-	152,735	38,006	38,006
Library Services Platform Prop 98	13,269	-	13,269	-	-
Local and Systemwide Technology and Data Security	675,000	-	623,569	51,431	51,431
Low Cost Auto Insurance Awareness	1,500	-	1,500	-	-
Mental Health Support Allocation	817,023	-	691,752	125,271	125,271
MESA Program	891,846	-	777,241	114,605	114,605
NextUp	1,237,516	-	1,157,849	79,667	79,667
Nursing Program Support	179,587	-	-	179,587	179,587
Regional Data Unlock Sub Award	6,025	-	6,025	-	-
Regional Directors Employer Engage	1,415,342	-	333,780	1,081,562	1,081,562
Regional Employer Engagement-SBCC	387,696	-	168,735	218,961	218,961
Retention Enrollment Outreach SB85	621,501	-	621,501	-	847,464
Rising Scholars Grant	328,236	-	177,459	150,777	150,777
Seamless Transfer - Transfer Ed	48,695	-	18,657	30,038	30,038
Staff Diversity	379,089	-	301,195	77,894	77,894
Strong Workforce - Local SBCC	3,648,890	(1,335)	2,250,555	1,397,000	1,397,000
Strong Workforce - SBCC Regional	1,871,580	-	1,142,228	729,352	729,352

Program	Program Revenues: Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Strong Workforce Region Consortium	$ 10,545,010	$ -	$ 4,982,452	$ 5,562,558	$ 5,562,558
Student Equity Achievement	5,015,828	-	845,474	4,170,354	4,585,277
Student Food and Housing Support	782,760	-	605,572	177,188	177,188
Student Housing - Planning	133,861	-	69,277	64,584	64,584
Student Success Completion Grant	3,728,427	-	1,173,297	2,555,130	2,555,130
Student Transfer Achievement Reform	565,217	-	565,217	-	-
Systemwide Technology and Data Security	50,000	-	-	50,000	50,000
Textbook Affordability Program	12,899	-	9,032	3,867	3,867
Umoja Community Ed Foundation	199,329	-	179,020	20,309	20,309
Undocumented Resources Liaisons	282,755	-	56,597	226,158	226,158
Veterans Resource Center	313,607	-	308,375	5,232	5,232
Zero Textbook Cost Program	200,000	-	128,894	71,106	71,106
Total state programs	$ 78,721,338	$ 118,988	$ 39,223,021	$ 39,633,656	$ 40,714,020

CATEGORIES	*Revised Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit**	251.04	-	251.04
2. Credit	804.40	-	804.40
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit**	2.16	-	2.16
2. Credit	634.64	-	634.64
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	3,119.47	-	3,119.47
(b) Daily Census Contact Hours	267.98	-	267.98
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit**	1,103.69	-	1,103.69
(b) Credit	1,061.74	-	1,061.74
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Procedure Courses	3,306.06	-	3,306.06
(b) Daily Census Procedure Courses	1,274.34	-	1,274.34
(c) Noncredit Independent Study/Distance Education Courses	6.84	-	6.84
D. Total FTES	11,832.36	-	11,832.36
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Noncredit**	313.18	-	313.18
2. Credit	144.20	-	144.20
CCFS-320 Addendum			
CDCP Noncredit FTES	492.56	-	492.56
Centers FTES			
1. Noncredit**	805.74	-	805.74
2. Credit	1,027.08	-	1,027.08

*Annual report revised as of October 31, 2024
**Including Career Development and College Preparation (CDCP) FTES.

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	$ 21,059,368	$ -	$ 21,059,368	$ 21,059,368	$ -	$ 21,059,368
Other	1300	20,975,744	-	20,975,744	20,975,744	-	20,975,744
Total Instructional Salaries		42,035,112	-	42,035,112	42,035,112	-	42,035,112
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	7,143,164	-	7,143,164
Other	1400	-	-	-	1,990,589	-	1,990,589
Total Noninstructional Salaries		-	-	-	9,133,753	-	9,133,753
Total Academic Salaries		42,035,112	-	42,035,112	51,168,865	-	51,168,865
<u>Classified Salaries</u>							
Noninstructional Salaries							
Regular Status	2100	-	-	-	20,126,848	-	20,126,848
Other	2300	-	-	-	893,246	-	893,246
Total Noninstructional Salaries		-	-	-	21,020,094	-	21,020,094
Instructional Aides							
Regular Status	2200	2,797,461	-	2,797,461	2,797,461	-	2,797,461
Other	2400	856,350	-	856,350	856,350	-	856,350
Total Instructional Aides		3,653,811	-	3,653,811	3,653,811	-	3,653,811
Total Classified Salaries		3,653,811	-	3,653,811	24,673,905	-	24,673,905
Employee Benefits	3000	17,964,078	-	17,964,078	31,181,015	-	31,181,015
Supplies and Material	4000	-	-	-	1,306,835	-	1,306,835
Other Operating Expenses	5000	-	-	-	11,910,952	-	11,910,952
Equipment Replacement	6420	-	-	-	348	-	348
Total Expenditures Prior to Exclusions		63,653,001	-	63,653,001	120,241,920	-	120,241,920

See Notes to Supplementary Information

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Exclusions							
Activities to Exclude							
Instructional Staff - Retirees' Benefits and Retirement Incentives	5900	$ 3,791,639	$ -	$ 3,791,639	$ 3,791,639	$ -	$ 3,791,639
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	273,848	-	273,848
Objects to Exclude							
Rents and Leases	5060	-	-	-	673,885	-	673,885
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	3,021,493	-	3,021,493
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Other Operating Expenses and Services	5000	$ -	$ -	$ -	$ -	$ -	$ -
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		3,791,639	-	3,791,639	7,760,865	-	7,760,865
Total for ECS 84362, 50% Law		$59,861,362	$ -	$59,861,362	$ 112,481,055	$ -	$ 112,481,055
% of CEE (Instructional Salary Cost/Total CEE)		53.22%		53.22%	100.00%		100.00%
50% of Current Expense of Education					$ 56,240,528		$ 56,240,528

Activity Classification	Object Code			Unrestricted
EPA Revenues:	8630			$ 10,624,437
Activity Classification	**Activity Code**	**Salaries and Benefits (Obj 1000-3000)**	**Operating Expenses (Obj 4000-5000)**	**Capital Outlay (Obj 6000)**	**Total**
Instructional Activities	1000-5900	$ 10,624,437	$ -	$ -	$ 10,624,437
Total Expenditures for EPA		$ 10,624,437	$ -	$ -	$ 10,624,437
Revenues Less Expenditures					$ -

Amounts reported for governmental activities in the Statement of Net Position are different because		
Total fund balance		
General Funds	$ 44,165,346	
Special Revenue Funds	2,988,735	
Capital Project Funds	18,105,688	
Debt Service Funds	5,228,471	
Proprietary Funds	6,613,855	
Internal Service Funds	148,246	
Total fund balance - all District funds		$ 77,250,341
The District's investment in the Santa Barbara County Treasurer's Investment Pool is reported at fair market value in the Statement of Net Position.		(1,348,348)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	248,104,527	
Accumulated depreciation and amortization is	(113,287,997)	
Less: fixed assets already recorded in proprietary funds	(3,991,086)	
Total capital assets, net		130,825,444
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the District's funds. Deferred outflows of resources at year-end consist of:		
Deferred outflows of resources related to debt refunding	2,154,227	
Deferred outflows of resources related to OPEB	333,135	
Deferred outflows of resources related to pensions	35,906,647	
Total deferred outflows of resources		38,394,009
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(943,938)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
General obligation bonds, including premiums	(55,402,716)	
Lease liability	(257,211)	
Subscription-based IT arrangements	(369,815)	
Compensated absences	(3,003,167)	
Load banking	(1,542,151)	
Supplemental employee retirement plans	(790,706)	
Aggregate net other postemployment benefits (OPEB) liability	(3,417,669)	
Aggregate net pension liability	(100,050,390)	
Total long-term liabilities		(164,833,825)

Deferred inflows of resources represent an acquisition of net position in a future period and is not reported in the District's funds. Deferred inflows of resources amount to and related to:		
Deferred inflows of resources related to OPEB	$ (5,967,629)	
Deferred inflows of resources related to pensions	(11,899,168)	
Total deferred inflows of resources		$ (17,866,797)
Total net position		$ 61,476,886

Note 1 - Purpose of Schedules

District Organization

This schedule provides information about the District's governing board members, administration members, and auxiliary organizations in good standing as of June 30, 2024.

Schedule of Expenditures of Federal Awards

Basis of Presentation
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Summary of Significant Accounting Policies
Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal assistance has been provided to a subrecipient.

Indirect Cost Rate
The District has not elected to use the 10% de minimis cost rate.

Schedule of Expenditures of State Awards

The accompanying Schedule of Expenditures of State Awards includes the state grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State Chancellor's Office.

Schedule of Workload Measures for State General Apportionment Annual (Actual) Attendance

FTES is a measurement of the number of students attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis for making apportionments of State funds to community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

Reconciliation of *Education Code* Section 84362 (50 Percent Law) Calculation

ECS 84362 requires the District to expend a minimum of 50% of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

Proposition 30 Education Protection Account (EPA) Expenditure Report

This schedule provides information about the District's EPA revenues and summarizes the expenditures of EPA revenues.

Reconciliation of Governmental Funds to the Statement of Net Position

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the government-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

Independent Auditor's Reports
June 30, 2024

Santa Barbara Community College District

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees
Santa Barbara Community College District
Santa Barbara, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities of Santa Barbara Community College District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Eide Bailly LLP

Rancho Cucamonga, California
December 20, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Trustees
Santa Barbara Community College District
Santa Barbara, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Santa Barbara Community College District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District'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, Santa Barbara Community College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards* (Uniform Guidance). 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Eide Bailly LLP

Rancho Cucamonga, California
December 20, 2024

Independent Auditor's Report on State Compliance

To the Board of Trustees
Santa Barbara Community College District
Santa Barbara, California

Report on State Compliance

Opinion on State Compliance

We have audited Santa Barbara Community College District's (the District) compliance with the types of compliance requirements described in the 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual* applicable to the state laws and regulations identified below for the year ended June 30, 2024.

In our opinion, Santa Barbara Community College District complied, in all material respects, with the compliance requirements referred to above that are applicable to the state laws and regulations identified below that were audited for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance that we identify during the audit.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

Section 411	SCFF Data Management Control Environment
Section 412	SCFF Supplemental Allocation Metrics
Section 413	SCFF Success Allocation Metrics
Section 421	Salaries of Classroom Instructors (50 Percent Law)
Section 423	Apportionment for Activities Funded From Other Sources
Section 424	Student Centered Funding Formula Base Allocation: FTES
Section 425	Residency Determination for Credit Courses
Section 426	Students Actively Enrolled
Section 427	Dual Enrollment (CCAP)
Section 430	Scheduled Maintenance Program
Section 431	Gann Limit Calculation
Section 444	Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475	Disabled Student Programs and Services (DSPS)
Section 490	Proposition 1D and 51 State Bond Funded Projects
Section 491	Education Protection Account Funds
Section 492	Student Representation Fee
Section 494	State Fiscal Recovery Fund
Section 499	COVID-19 Response Block Grant Expenditures

The District reports no Apprenticeship Related and Supplemental Instruction (RSI) Funds; therefore, the compliance tests within this section were not applicable.

The State Fiscal Recovery Fund was included as a major federal program, as described in the summary of auditor's results; therefore the compliance requirements within this sections were not performed.

The District submitted their final expenditure report for the COVID-19 Response Block Grant in the prior fiscal year; therefore the compliance requirement within this section was not applicable.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
December 20, 2024

Schedule of Findings and Questioned Costs
June 30, 2024

Santa Barbara Community College District

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
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 Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027
Career and Technical Education Act (CTEA), Title I, Part C	84.048A
Regional Collaboration and Coordination Grant	84.048A

Dollar threshold used to distinguish between type A and type B programs	$750,000
Auditee qualified as low-risk auditee?	Yes

State Compliance

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

None reported.

None reported.

None reported.

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Financial Statement Findings

None reported.

Federal Awards Findings

2023-001 Allowable Costs & Activities

Program Name: COVID – 19 Coronavirus State and Local Fiscal Recovery Funds
Assistance Listing Number: 21.027
Federal Agency: U.S. Department of the Treasury
Pass-Through Entity: California Community Colleges Chancellor's Office

Criteria or Specific Requirements
The Uniform Guidance Cost Principals described in 31 CFR Part 35, Subpart A, established the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) to support governments in their response to and recovery from the COVID-19 public health emergency. As outlined in the Final Rule set forth by the U.S. Department of the Treasury, to identify eligible uses of funds, recipients should (1) identify a COVID-19 public health or economic impact on an individual or class (i.e., a group) and (2) design a program that responds to that impact. As a recipient of CSLFRF funding, the California Community Colleges Chancellor's Office (CCCCO) utilized the funding to provide emergency financial assistance grants to low-income students, enrolled at the California community colleges, who had been disproportionally impacted by the COVID-19 public health emergency. The CCCCO established the following eligibility criteria for students to receive CSLFRF grants:

- U.S. citizen or eligible non-citizen
- Current enrollment in credit or noncredit courses at a California community college
- Demonstrate an emergency financial aid need
- Qualify as low-income by meeting the requirements to receive a California College Promise Grant (CCPG) or is projected to receive a CCPG for the upcoming term

Condition
Significant Deficiency – The District disbursed CSLFRF grants to 2 ineligible students out of the 23 students tested.

Questioned Costs
During our testing, we identified that the District disbursed $6,000 in CSLFRF to 2 ineligible students out of the 23 students tested.

Context
The District disbursed CSLFRF grants to 115 students during the fiscal year totaling $336,724 in aid.

Effect
Without proper monitoring of the eligibility requirements set forth by the pass-through entity, the District is at risk of noncompliance with the above referenced criteria.

Cause
The District did not comply with the most up-to-date student eligibility requirements set forth by the California Community College Chancellor's Office.

Repeat Finding (Yes or No)
No.

Recommendation
It is recommended that District establish effective controls and procedures to ensure that funds are only being distributed to those who are eligible to receive CSFRF student aid.

Current Status
Implemented.

State Compliance Findings

None reported.