

McLennan Community College

Report to the Board of Trustees

December 2, 2024



Report to the Board of Trustees

- ◎ Overview
- ◎ Results of the Audit Engagement
- ◎ Financial Highlights
- ◎ Questions and/or Comments



Overview

◎ Our Responsibilities

- The financial statements and compliance with laws and regulations are management's responsibility
- Our responsibility is to plan and perform the audit to provide reasonable assurance that the financial statements are free of material misstatement and are fairly presented
- We also examine evidence about the District's compliance with certain requirements applicable to each of its major federal and state award programs to express an opinion on the District's compliance with those requirements



Overview

- ◎ Significant Accounting Estimates
- ◎ Significant Risks and Transactions
- ◎ Audit Adjustments
- ◎ No Disagreements With Management or Difficulties Encountered

Results of the Audit Engagement

◎ Financial Statements

- In our opinion, the financial statements . . . present fairly, in all material respects, the financial position . . . and the respective changes in financial position and cash flows . . .

◎ Internal Control Findings

- No material weaknesses or significant deficiencies

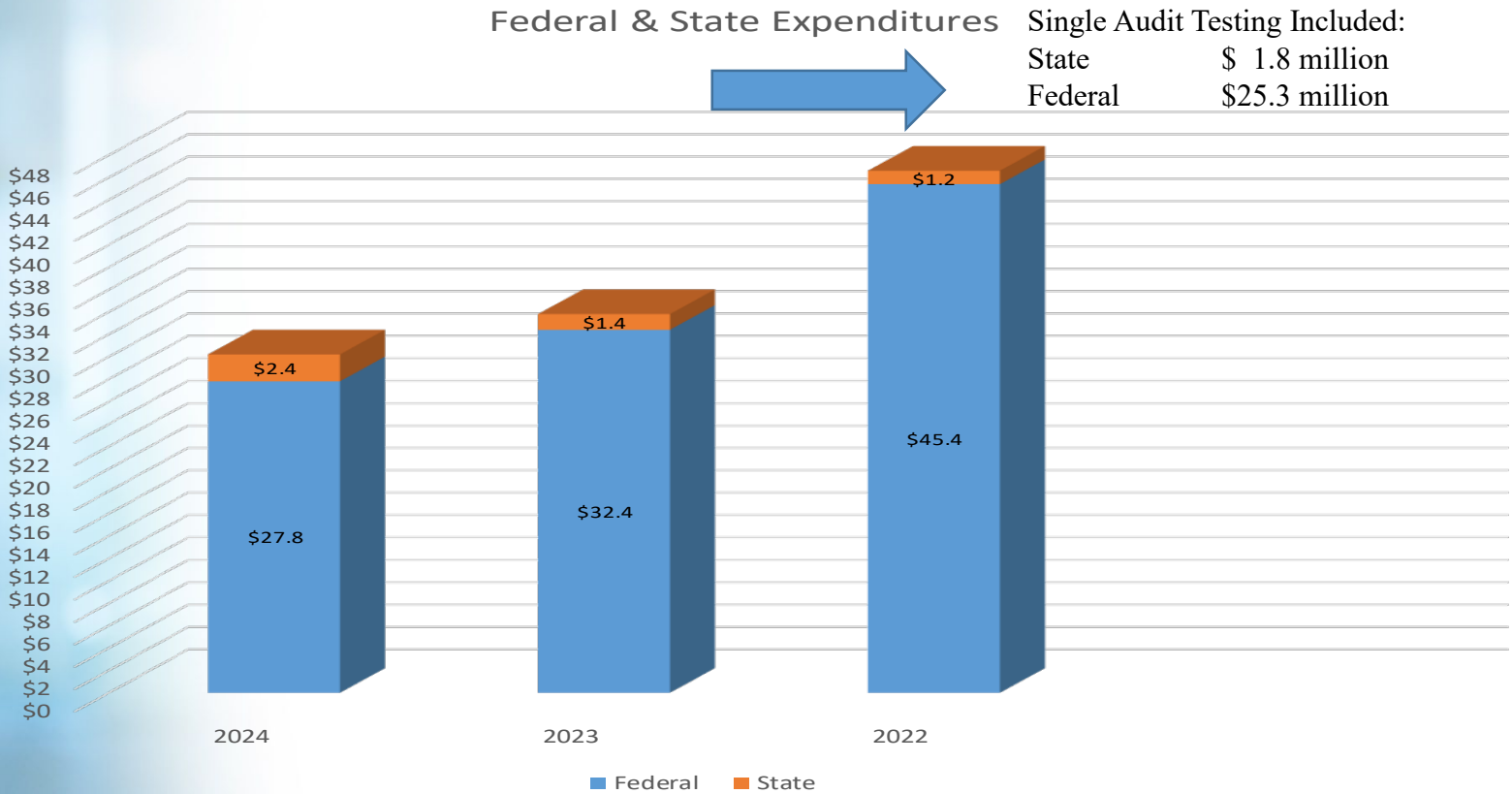
Results of the Audit Engagement

- ◎ **Certain Compliance Requirements of Major Federal and State Award Programs**
 - Major federal programs – Student Financial Aid, AEFLA, Title V, FIPE
 - Major state program – Texas Education Opportunity Grant
 - Other state compliance – Competitive bidding and Public Funds Investment Act
 - In our opinion, the District complied, in all material respects, with the requirements . . . that could have a direct and material effect on each of its major federal and state programs . . .
- ◎ **Internal Control Findings**
 - No material weaknesses
 - No significant deficiencies



Financial Highlights

(dollars in millions)



Financial Highlights

(dollars in thousands)

	2024	2023
Current assets	\$ 47,702	\$ 46,649
Noncurrent assets	126,657	125,556
Total assets	174,359	172,205
Deferred outflows of resources	12,758	15,148
Current liabilities	22,861	22,423
Noncurrent liabilities	106,173	111,929
Total liabilities	129,034	134,352
Deferred inflows of resources	14,721	16,075
Total net position	\$ 43,362	\$ 37,196

Financial Highlights

(dollars in thousands)

Net investment in capital assets

Restricted

Unrestricted

Total net position

	2024	2023
Net investment in capital assets	\$ 74,414	\$ 67,897
Restricted	1,770	989
Unrestricted	(32,822)	(31,690)
Total net position	\$ 43,362	\$ 37,196

Financial Highlights

(dollars in thousands)

Unrestricted net position (Schedule D)

Adjustments:

Cumulative adjustment for GASB 68

Cumulative adjustment for GASB 75

CIF Reserve Fund

Total unrestricted net position

2024	2023
(\$45,073)	(\$40,395)
13,626	11,744
48,070	48,285
10,081	7,192
\$26,704	\$26,826

Change for 2024 = (\$122k)



Financial Highlights

(dollars in thousands)

Operating revenue
Operating expenses
 Operating loss
Nonoperating:
 State appropriations
 Property taxes
 Grants and contracts
 Other nonoperating, net
 Increase in net position

	2024	2023
	\$ 14,372	\$ 13,468
	89,940	81,969
	(75,568)	(68,501)
	18,580	15,848
	35,990	34,139
	24,182	28,264
	2,982	(192)
	\$ 6,166	\$ 9,558

Questions and/or Comments?

