

BUSINESS AFFAIRS SUB-COUNCIL

January 26, 2011

MINUTES

The meeting began at 9:00 a.m. in the TBR Board Room. Present were Ms. Cynthia Brooks (TSU); Mr. Steve Campbell (NeSCC); Mr. Horace Chase (JSCC); Ms. Beth Cooksey (VSCC); Mr. John Cothern (MTSU); Ms. Mary Cross (NaSCC); Mr. Danny Gibbs (RSCC); Mr. Mike Gower (MTSU); Mr. Lowell Hoffman (DSCC); Mr. Ken Horner (CoSCC); Mr. Tim Hurst (APSU); Dr. Rosemary Jackson (WSCC); Ms. Susan Joseph (ChSCC); Mr. Ron Kesterson (PSCC); Mr. Ron Parr (STCC); Mr. Mitch Robinson (APSU); Dr. Claire Stinson (TTU); Ms. Hilda Tunstill (MSCC); Mr. Greg Wilgocki (ETSU); Mr. Tommy Wright (ClSCC); Mr. David Zettergren (UOM); Ms. Alicia Gillespie, Ms. Tammy Gourley, Ms. Deanna Hall; Ms. Lisa Hall, Ms. Pat Massey, Ms. Mary Moody, Ms. April Preston, Ms. Brooke Shelton, Mr. Dale Sims, Ms. Renee Stewart, and Mr. Bob Wallace (TBR).

Mr. Sims introduced Mary Moody from the General Counsel's office. She will be our new contact for legal issues concerning contracts and procurement.

Mr. Sims also introduced April Preston as the new Assistant Vice Chancellor for Human Resources. He also informed the committee that Ron Ostenfeld has now taken a position with TSU.

1. Report of the Committees

A. Finance Committee

Renee Stewart highlighted the following issues from the January 12, 2011 Finance Committee meeting.

- Guideline A-100 - Learning Support

The committee discussed the potential budget impact of implementing Guideline A-100 - Learning Support. This guideline went through the academic committees and had financial implications on the community colleges. However, there was no discussion with the business officers concerning the financial impact.

Because of this situation, the committee discussed the idea of sub-councils sharing agendas with all of the sub-councils in case there were items that needed to be discussed with different areas. Mr. Sims discussed the sharing of agendas at the Senior Staff meeting, and there was some objection to the sharing of agendas. Therefore, in the future, the agendas will be shared internally at the central office and it will be determined if there are any issues from the other sub-councils of which business officers need to be aware.

- OPEB Issue

The committee discussed the OPEB liability. An attachment with OPEB issues was discussed. (Attachment A) The committee discussed that the budget is more of a problem with the OPEB liability than the financial statements.

It was discussed whether the institutions will ever be required to pay this liability. Historically, the State has always paid the OPEB. The institutions need to know if they should begin accumulating funds for this expense. Since the State is reactivating the OPEB group, it was suggested that TBR needs a representative on that group. Ms. Stewart suggested that we continue with our current method for the upcoming year, until we have more answers from the OPEB group.

- CFI Ratios

The committee discussed the CFI ratios. The CFI ratios have been distributed to all campuses. The individual numbers will not be released, but the aggregate for the universities and community colleges may be used in the financial presentation to the Board. The ratios show that the reserves are not as large as they should be; which is the opposite of the public perception of higher education. The next step will be to share with the institutions the draft presentation for the Board meeting.

- Miscellaneous Course Fees

The committee discussed the collapsing of some miscellaneous course fees into tuition. The committee will start reviewing these fees and the revenue produced by each. There were a number of fees without any revenue, and a number of fees that resulted in revenues of \$10,000 or less. Subsequent to the Finance Committee meeting, the spreadsheet has been updated to include the amount per FTE as well as the addition of mandatory fees. (Attachment B)

- Findings and Weaknesses

The committee was given all findings and weaknesses published since the last quarterly Finance Committee meeting. There were two audit reports released in the last quarter with a total of two findings. The finding was that procedures for financial statement preparation should be improved to ensure the accuracy of information presented in the financial statements. (Attachments C and D)

- Repayment of Unworked APS Hours

The committee discussed the repayment of unworked academic service scholarship hours. Students are expected to provide the 75 hours of service required by this scholarship. However, in some cases, students do not complete the required hours. The committee discussed whether an institution can require them to repay their scholarship. Because of the potential income tax effect, students cannot be required to pay it back. However, the student may lose the scholarship for the following semester.

- Unexpended Plant

The committee discussed the inconsistencies of reporting on the unexpended plant schedules included in the financial statements. TBR staff recently had to send copies of these schedules to the State Building Commission (SBC). In this process, it was noted that the University of Memphis separates out projects by both project type and by funding source. TBR staff requested committee members to review the UOM schedule and determine if this reporting was possible for all. (Attachment E)

The SBC has questioned why we have excess reserves in unexpended plant funds. We have been increasing tuition in increments in order to be ready for 2012 when we no longer have ARRA funds, instead of having a much larger increase in 2012. If the SBC were to look at each institution as a whole, instead of focusing only on unexpended plant, they would see the overall financial standing of the institutions.

- Depreciation of Library Holdings

The committee discussed the interpretation of library holdings depreciation as requested by State Audit. State Audit stated that there is not consistency among the institutions regarding when library holdings are written off once fully depreciated. Some institutions are writing off the asset in the same year they become fully depreciated, while others are waiting until the following year to write off the asset. The committee recommended that once library holdings are fully depreciated (10 years old), they should be removed the following year.

- Guideline B-060

The committee discussed what defines a special course fee when determining fees that are waived. The fee waivers for disabled and elderly students were discussed. There was some confusion as to the definition of the special course fee that was listed in Guideline B-060. After further discussion, the committee agreed to add language that says all course-specific fees are not waived. Subsequent to the Finance Committee meeting, it was discovered that parking fees had been inadvertently left off as a fee that will not be waived. This has now been added. (Attachment F)

The Finance Committee minutes, with the guideline changes, were approved.

B. Human Resources

Ms. Preston highlighted the following issues from the January 24, 2011 Human Resource Officers Committee meeting.

- Long- Term Disability and Flexible Spending Accounts (FSA)

Ms. Preston gave a brief overview of the effective dates of insurance eligibility and effective dates for new hires. The effective date of coverage is the first day of the month following the employee's hire date. Currently, the FSA's and long-term disability are effective 30 days after this date. Ms. Preston stated that it was not possible to change the FSA eligibility date. However, she will review eligibility dates with Prudential, the new long-term disability vendor.

- Fair Labor Standards Audit Update (FLSA)

Kae Carpenter, Associate General Counsel, advised the HR Officers that financial aid positions will be the next area to review for compliance with the FLSA exempt criteria.

- Pay Plan Strategies

Chancellor Morgan has requested that Presidents and Directors develop options for the Board to consider that address the most compelling of our compensation needs. Ms. Preston recommended that the HR Officers submit any concerns to their direct report for the President or Directors review. The deadline for these materials to be submitted to Ms. Preston is January 31, 2011. The goal of this process is to develop a range of proposals to present to the Board for discussion during its March meeting.

The HR Officers minutes were approved.

C. Internal Audit

Ms. Gourley highlighted the following issues from the January 19, 2011 Internal Auditors meeting.

- Risk Assessments

The committee was presented with an overview of the changes to the risk assessment process. The Crawford model will still be used and similar documents should be submitted each period. The next cycle is scheduled to be completed over a three-year period, but submissions will only be due to System-Wide Internal Audit at May 31st each year.

- Review of State Audit Findings Log and Internal Audit Findings Log

Ms. Gourley discussed logs created for reporting to the Audit Committee the status of management's implementation of recommendations from findings resulting from state audits and internal audits. As internal audits are completed, auditors should inform System-Wide Internal Audit of dates when follow-up reviews should generally be performed. Written follow-up reviews should generally be performed and written reports submitted for internal audit findings within a year from the completion of the audits. Findings of a significant nature

may require a follow-up review in a shorter period of time. State Audit determines the timing of follow-up reviews for state audit findings.

The Internal Auditors minutes were approved.

D. IT Sub-Council

Mr. Campbell highlighted the following issues from the January 20, 2011 IT Sub-Council meeting.

- **D2L Issues**

The committee discussed recent problems with D2L. When the D2L contract comes up for renewal, it will be divided into two parts: licensing renewal and hosting. There is a general consensus that D2L is a good product, but there are problems with the hosting services.

- **Banner Hosting**

All institutions have now been upgraded to Banner 8.2. There is a meeting this week to discuss the first five institutions to move Banner hosting to OIR. The pricing has changed from what was originally quoted. The plan is to have a final decision by mid February.

2. ARRA

The committee discussed the ARRA finding taken for the TBR system. There were three components of the finding. The first component was that three institutions did not follow established controls requiring monthly reviews of SFSF program reports and reconciliations between the SFSF expenditures recorded at the institution and the amounts reported to TBR. The second component was that one institution purchased goods prior to the approval of the requisition. Lastly, some institutions did not adequately tag equipment purchased with ARRA funds. (Attachment G)

The committee was reminded of the importance of all internal controls related to ARRA funds, including the adherence to TBR policies. TBR will be vigilant in fulfilling its oversight role.

The committee was also reminded that all ARRA funds must be obligated by September 30, 2011 and fully spent by December 31, 2011. If an institution has a project that will not be completed by December 31st, they need to notify TBR central office staff as soon as possible.

3. Payment Processing/Refund Distribution Vendor

Higher One has expressed interest in providing student refund services to TBR institutions. If enough institutions are interested, it would be in our best interest to issue a systemwide RFP for this service. Any interested institutions need to e-mail Ms. Gregory within the next week, so that she can proceed.

4. American Express Contract

We have been operating under F&A's contract with American Express to accept their card for payments. However, F&A has now moved away from their contract with American Express. Therefore, we are in the process of issuing a sole source agreement, pending approval from Fiscal Review. Currently, ChSCC and WSCC are the only two institutions who do not accept American Express. However, ChSCC has expressed interest in now accepting American Express.

5. Continuation of TnCIS Funding

When this program began, it was decided that an annual mandatory membership fee of \$3,000 for community colleges and \$5,000 for universities would be imposed to fund the first three years of this program. Since the three year period has ended, a question was raised as to whether membership was still mandatory. This decision should be addressed by the President's Council.

The program has grown from 1 trip with 20 students in its first year, to 20 trips with 400 students this year. Mr. Kesterson will provide information on each institution's participation over the course of the program. This information should be shared with the Presidents to help them in their decision making.

The meeting was adjourned at 11:00 a.m.

Background

In 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Tennessee began recording and reporting the OPEB liability for the fiscal year ending June 30, 2008. The objective of this Statement is to establish uniform standards of financial reporting by state and local governmental entities for other post-employment benefit plans. The term “other postemployment benefits” refers to postemployment benefits other than pension benefits and includes postemployment healthcare benefits if provided separately from a pension plan.

Issues and Concerns

Over the past three fiscal years, the state base appropriation has been reduced in excess of 25%. In addition to these cuts, TBR institutions are required to recognize a liability for OPEB that has been unfunded. The liability has averaged \$2,354,00 for universities, and \$584,000 for community colleges.

Unfunded benefit – In Tennessee, it has been determined that each public institution of higher education will record and report its related liability for this benefit that is paid to retirees. This has resulted in an annual unfunded benefit that averages \$2,353,743 for TBR universities, and \$584,298 for the two-year institutions. This is a real and budgeted expense for each institution that is not supported by current funding from the state. In order to mask the effect of these unfunded expenses on fund balance, TBR institutions are currently reflecting the amount of the liability as a negative allocation to their unrestricted E & G Fund Balance.

Liability growing quickly – The recorded liability will soon eclipse many institution’s unrestricted E & G fund balance.

The actuarial accrued liability totals \$297,287,000 for TBR (\$188,344,000-universities; \$91,418,000-two-year institutions). This liability is allowed to be amortized, but will eventually be recorded by institutions. As of June 30, 2010, the average liability recognized by TBR universities was \$7,061,228, and \$1,752,894 for two-year schools. Institutions must currently rely on plant construction, renewal and replacement and other designated unrestricted fund balances in order to avoid a total unrestricted negative fund balance. However, as the unfunded liability continues to grow, it will most likely increase beyond the plant fund balances resulting in an overall unrestricted negative fund balance at some time in the future.

Negative undesignated fund balances

Currently, institutions are required to maintain a fund balance that is two to five percent of Education & General (E&G) revenues. E&G revenues primarily consist of student tuition and fees, and state appropriation. The required fund balance includes future budget reserves or undesignated fund balance, and discretionary allocations. In order to eliminate negative undesignated fund balances, some institutions exceed the five percent threshold or reflect a transfer from plant funds that will never be made. The June 30, 2010 university average for undesignated fund balance was \$1,439,203, and \$(23,507) for two-year schools.

Impact and Outcomes

Institutions will soon have insufficient undesignated fund balance to fund such a liability. Institutions must continue to cover a significant unfunded benefit in dire financial economic conditions.

Other States

While Tennessee must make its own decisions on how this liability should be handled, we have reviewed practices in a few other states. In Texas, The University of Texas System and Texas A & M system recognizes the liability as they run their own retirement plans. The universities in the other Texas higher education systems (e.g. Texas State System) do not recognize the liability as they participate in the Texas Retirement system plan and all liability is reflected in the state CAFR report. North Carolina does not record OPEB liability at the university level. Notes to their financial statements indicate “The University assumes no liability for retiree health care benefits provided by the programs other than its required contribution”. A review of the statements of the University of West Georgia did not show an OPEB liability. Their notes provided information on the number of retirees and participating and the amount paid by West Georgia into the retirement system to cover.

Options

- Continue recording the OPEB liability in the same manner as currently used
 - Pros – The negative allocation negates the impact on the unrestricted budget while maintaining financial statement integrity.
 - Cons – Continues issue with budget and 2-5% allocation requiring the maximum 5% to be exceeded or reflecting of a plant fund transfer. Does not address the future increases that will outstrip the institution’s ability to cover through unrestricted plant funds. Provides an illusion that the institution has sufficient current funds to cover the liability
- Eliminate the negative allocation
 - Pros – provides a realistic view of the effect of the OPEB liability on the unrestricted budget
 - Cons – Will require reflecting a negative unrestricted fund balance (currently prohibited by THEC) or would require reduction of current expenditures in a time of already reduced resources. The latter would, in essence, require funds not to be spent for current needs to provide a reserve for future expenses (which most likely will be paid by the State) and would provide the state further impetus to have the universities actually fund the expense at some point in the future.
- Remove all effects of OPEB from the unrestricted budget. This would require a reconciling adjustment of FB per budget to financial statements. Per Larry Goldstein, this is what he understands many are doing. In essence institutions are staying on a “pay as you go” model and if there is a need to show a fund-based report with info about OPEB, treat it as a “below the line” adjustment. This is supported by a Standard and Poor’s article *U.S. States OPEB Liabilities and Funding Strategies Vary Widely* dated June 30, 2009 (http://www.naic.org/documents/committees_e_rating_agency_101118_hearing_doc4.pdf) which states that currently the State of Tennessee is “likely to use pay-as-you-go financing in the short term while the state performs additional OPEB actuarial analysis.”
 - Pros – Would remove all issues related to the budget
 - Cons – Does not address the fund balance issues related to negative allocations or potential negative unrestricted fund balances in the future.

- Work with appropriate state officials to remove the requirement that OPEB be recorded at the institution level
 - Pros – Keeps the liability at the state level where it belongs and should be funded in the future. Removes the issues related to current operating budgets as noted above
 - Cons – None that I have been able to determine.

Tennessee Board of Regents
 Audit Committee
 November 16, 2010
Review of Comptroller's Office Audit Reports
Financial and Compliance Audits—Finding Reported

Institution	For the Years Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Pellissippi State Community College	June 30, 2008 and June 30, 2009	Unqualified Opinion	One Finding identified as a material weakness	No instances of noncompliance required to be reported	1
<p>Finding – The audit found that the college's procedures for financial statement preparation should be improved to ensure the accuracy of information presented in the financial statements. Several significant reporting errors were noted.</p> <ul style="list-style-type: none"> ➤ On the college's statement of net assets, invested in capital assets, net of related debt was understated and unrestricted net assets were overstated by the same amount, \$1,764,743. ➤ On the college's statement of cash flows: <ul style="list-style-type: none"> • The college failed to report federal student loan receipts and federal student loan disbursements in the noncapital financing activities section in the amounts of \$9,499,426 for the year ended June 30, 2009 and of \$6,754,149 for the year ended June 30, 2008. • Payments to employees were understated and payments for benefits were overstated by \$816,519 for the year ended June 30, 2009 and \$865,267 for the year ended June 30, 2008. • Payments to suppliers and vendors and other noncapital financing receipts were understated by \$851,701 for the year ended June 30, 2009. • The Assistant Vice President of Business and Finance reported a cash inflow of \$769,426 as "principal paid on capital debt" for fiscal year ended June 30, 2009. The amount should have been reclassified and reported as proceeds from capital debt of \$1,976,967 and principal paid on capital debt of \$1,207,541. ➤ On the foundation's financial statements: <ul style="list-style-type: none"> • On the cash flows statement, cash from gifts and contributions and cash payments for scholarships and fellowships were understated by \$180,078 for the year ended June 30, 2009. • On the statement of net assets, unrestricted net assets were overstated and expendable restricted net assets were understated by the same amount, \$1,017,228 for the year ended June 30, 2009 and for \$1,137,797 for the year ended June 30, 2008. <p><i>The financial statements included in the audit report reflect corrected information.</i></p> <p>Management's Comment – Management concurred with the finding, stating that the items mentioned are financial statement displays issues only and that the total assets and liabilities of the college did not change based on these errors. Management stated that steps are being taken to ensure that future financial statements are displayed correctly, including adding a new position which will allow for additional time for preparation and review of the financial statements, new checklists and review sheets to aid in the preparation of future financial statements, as well as adjusting the work schedule calendar for the preparation of the financial statements to allow for additional review time to ensure the correctness of the financial statements.</p> <p><i>Internal Audit Follow Up: The PSCC Office of Internal Audit has scheduled a follow-up audit on this finding; the results will be reported to the Audit Committee next quarter.</i></p>					

FINDING AND RECOMMENDATION

The college needs improved review procedures to prevent errors in the preparation of the college's financial statements

Finding

Our audit found that Pellissippi State Community College's procedures for financial statement preparation should be improved to ensure the accuracy of the information presented in the financial statements. This deficiency resulted in several significant reporting errors:

- On the college's June 30, 2009, statement of net assets, net assets were not properly classified. Invested in capital assets, net of related debt, was understated by \$1,764,743.20, and unrestricted net assets were overstated by \$1,764,743.20. The Assistant Vice President of Business and Finance inadvertently subtracted debt not associated with capital assets from the amount reported as invested in capital assets, net of related debt. According to GASB statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, paragraph 33, "this component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets." The error was corrected on the audited statement.
- On the college's statement of cash flows for the year ended June 30, 2009, the Assistant Vice President of Business and Finance failed to report \$9,499,426.23 of federal student loan receipts and federal student loan disbursements in the noncapital financing activities section. On the college's statement of cash flows for the year ended June 30, 2008, the Assistant Vice President of Business and Finance failed to report \$6,754,148.55 of federal student loan receipts and federal student loan disbursements in the noncapital financing activities section. The errors were corrected on the audited statements.
- On the college's statement of cash flows for the year ended June 30, 2009, payments to employees were understated by \$816,518.80, and payments for benefits were overstated by \$816,518.80. On the college's statement of cash flows for the year ended June 30, 2008, payments to employees were understated by \$865,266.88, and payments for benefits were overstated by \$865,266.88. Increases in the college's net OPEB obligation should have been deducted from accrued benefits expense instead of accrued salaries to yield cash payments for benefits. The errors were corrected on the audited statements.

- On the college's statement of cash flows for the year ended June 30, 2009, payments to suppliers and vendors (cash flows for operating activities) were understated by \$851,700.77, and other noncapital financing receipts (cash flows from noncapital financing activities) were understated by \$851,700.77. An adjustment related to an amount due to the primary government was placed in the wrong category by the Assistant Vice President of Business and Finance. The error was corrected on the audited statement.
- On the college's statement of cash flows for the year ended June 30, 2008, the Assistant Vice President of Business and Finance reported a cash inflow of \$769,426.38 labeled as "principal paid on capital debt." The amount should have been reclassified and reported as proceeds from capital debt of \$1,976,967.50 (a cash inflow) and principal paid on capital debt of (\$1,207,541.12) (a cash outflow). The error was corrected on the audited statement.
- On the foundation's statement of cash flows for the year ended June 30, 2009, cash flows from gifts and contributions were understated by \$180,077.66, and cash flows representing payments for scholarships and fellowships were understated by a like amount. An adjustment was placed in the wrong category by the financial analyst in charge of foundation accounting. The error was corrected on the audited statement.
- On the foundation's June 30, 2009, statement of net assets, unrestricted net assets were overstated by \$1,017,227.62, and expendable restricted net assets were understated by \$1,017,227.62. On the foundation's June 30, 2008, statement of net assets, unrestricted net assets were overstated by \$1,137,796.60, and expendable restricted net assets were understated by \$1,137,796.60. Negative net asset balances in expendable restricted net assets were reported in that category instead of being properly netted against unrestricted net assets. The financial analyst in charge of foundation accounting did not know the proper way to report these negative balances. The errors were corrected on the audited statements.

According to the Assistant Vice President, the first six errors were due to oversight. The last error was because the financial analyst did not know the proper way to report these negative balances. These reporting errors resulted in significant misstatements in the college's unaudited financial statements. With an improved review process, the Assistant Vice President of Business and Finance or the Vice President of Business and Finance could have detected and corrected these errors before the financial statements were completed.

Recommendation

Invested in capital assets, net of related debt should represent capital assets net of accumulated depreciation less debt attributable to the acquisition, construction, or improvement of those assets. College personnel should not report negative restricted net assets. These amounts should be netted against unrestricted net assets. More care should be taken in preparing cash

flow statements. The Vice President of Business and Finance should develop improved review procedures to ensure that errors have not been made in the report preparation process.

The Vice President of Business and Finance should ensure that risks associated with report preparation are adequately identified and assessed in the university's risk assessment activities. The Vice President of Business and Finance should also implement effective controls to adequately mitigate those assessed risks and take appropriate action if deficiencies occur.

Management's Comment

Management concurs with the finding and recommendation. The items mentioned are financial statement display issues only. The total assets and total liabilities of the college did not change. They were erroneously displayed in the wrong categories on the financial statements.

The college has already taken steps to ensure that future financial statements are displayed correctly. A new administrative position has been added to the office of the Assistant Vice President of Business and Finance. This position will allow additional time for the preparation and review of the financial statements.

New checklists and review sheets are being developed to aid in the preparation of fiscal year 2010 and future financial statements.

The work schedule calendar for the preparation of financial statements has been adjusted to allow for several days of additional review time to ensure the correctness of the statements.

Additional professional development opportunities will be provided to the financial office staff, especially in the areas of foundation accounting and cash flow statements.

The risk assessment analysis for financial reporting and accounting will be analyzed and reviewed and additional appropriate controls will be implemented. This risk assessment analysis will be completed by December 31, 2010.

Tennessee Board of Regents
 Audit Committee
 November 16, 2010
Review of Comptroller's Office Audit Reports
Financial and Compliance Audits—Finding Reported

Institution	For the Years Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Tennessee Technological University	June 30, 2009	Unqualified Opinion	One Finding identified as a material weakness	No instances of noncompliance required to be reported	1
<p>Finding – The audit found that the college’s procedures for financial statement preparation should be improved to ensure the accuracy of information presented in the financial statements. Several significant reporting errors were noted.</p> <ul style="list-style-type: none"> ➤ On the college’s statement of net assets, current cash was not enough to fund current liabilities. An audit reclassification was made for \$97,700 . ➤ On the college’s statement of cash flows, a capital gift in-kind of \$122,441 was reported twice in the noncash transaction portion. ➤ In the notes to the financial statements: <ul style="list-style-type: none"> • For pledged revenues, the amount reported as principal and interest paid on debt during fiscal year 2009 was \$1,785,836, which was actually the total debt service requirement for 2010. The amount for 2009 should have been \$1,420,792, a difference of \$365,044. • Contributions to the Tennessee Consolidated Retirement System (TCRS) and to the defined benefit plans were understated by \$213,946 and \$280,102, respectively. University staff believes the incorrect amounts were obtained from preliminary reports instead of final reports. • In the insurance-related activities note, scheduled coverage for buildings and contents were overstated by \$15,459,500 and \$500,000, respectively. During the year, two buildings were demolished, but were still included in the amounts reported in this note. • In the Accounts Receivable note, the amount reported as Grants Receivable was understated by \$33,486, while the amount reported for Other Receivables were overstated by the same amount. An account that was reported properly in the accounting system was not classified correctly when the information was compiled for the notes. <p><i>The financial statements included in the audit report reflect corrected information.</i></p>					
<p>Management’s Comment – Management concurred with the finding and stated these items have been added to a financial statement preparation checklist to ensure correctness. The Director of Accounting and the Associate Vice President for Business and Fiscal Affairs will ensure the review is completed.</p>					
<p><i>Internal Audit Follow Up: The TTU Office of Internal Audit has performed a follow-up audit on this finding and concluded management has taken proper actions to address the issues noted in the finding. The results of the follow-up are included in the Audit Committee materials in the Internal Audit Summary section.</i></p>					

FINDING AND RECOMMENDATION

The university did not ensure that amounts were properly reported in its financial statements and the accompanying notes to the financial statements

Finding

Our audit found that Tennessee Technological University's procedures for financial statement preparation should be improved to ensure the accuracy of the financial statements. This weakness contributed to numerous reporting errors in the financial statements and the notes to the financial statements of the university. The Associate Vice President for Business and Fiscal Affairs is responsible for financial reporting for the university. The Manager of Payroll and Benefits and the Director of Auxiliaries prepare portions of the notes to the financial statements which are then reviewed by the Associate Vice President for Business and Fiscal Affairs.

Errors in the University's Financial Statements

We found an error on the Statement of Net Assets. Cash reported as current cash should include the amount that is needed to fund current liabilities. The Associate Vice President for Business and Fiscal Affairs did not take into consideration \$97,700.09 of current liabilities for the retirement of indebtedness. As a result, current cash was understated and noncurrent cash was overstated by this amount. The audit report contains corrected amounts.

On the Statement of Cash Flows for the university, one line item was duplicated in the noncash transaction portion. Capital gifts-in-kind from the TTU Foundation worth \$122,440.70 was reported twice, once as a gift-in-kind capital item and again as a capital gift transferred to the university. The statement of cash flows was corrected.

Errors in the University's Notes to the Financial Statements

We noted several errors in the notes to the financial statements for the university. These are enumerated below.

In the Pledged Revenues Note, the total amount of principal and interest paid on debt during fiscal year 2009 was reported as \$1,785,836.00, which was actually the total debt service requirement for 2010. This amount should have been reported as \$1,420,792.15, a difference of \$365,043.85. The note was corrected.

We noted two errors in the Pension Plans Note. The university's contributions to the Tennessee Consolidated Retirement System (TCRS) and contributions to the defined contribution plans were reported as \$3,534,942.57 and \$3,423,888.16, respectively. These amounts should have been \$3,320,996.40 for contributions to TCRS and \$3,143,786.60 for defined contribution plans, differences of \$213,946.17 and \$280,101.56, respectively. University staff believe that the incorrect amounts came from preliminary reports and could not support the

reported amounts; however, the staff agreed with the amounts we suggested. The note was corrected.

In the Insurance-related Activities Note, the scheduled coverage for the university was reported as \$767,059,700.00 for buildings and \$104,201,700.00 for contents. The amounts should have been reported as \$751,600,200.00 for buildings and \$103,701,700.00 for contents, differences of \$15,459,500 and \$500,000, respectively. During the fiscal year, two buildings were demolished; however, the reported coverage still included the amounts related to these two buildings. The note was adjusted accordingly.

In the Accounts Receivable Note, the amount reported for grants receivable was understated by \$33,485.85, while the amount reported for other receivables was overstated by the same amount. An account that was recorded properly in the accounting system was not classified correctly when the information was compiled for the notes. The note was corrected.

Conclusion

Management has identified within the university's risk assessment the risk of inaccurate/untimely financial reporting and the risk of financials issued with material misstatements. For this, management's intention is to monitor through supervisory controls, such as reviews. However, the Associate Vice President for Business and Fiscal Affairs and his staff did not detect the reporting errors noted above during their review and stated that the lack of time in which to review the completed financial report contributed to these errors remaining undetected.

These reporting errors resulted in significant misstatements in the university's unaudited financial statements. With an improved review process, the Vice President or Associate Vice President for Business and Fiscal Affairs could have detected and corrected these errors before the financial statements were completed.

Recommendation

The President and Vice President for Business and Fiscal Affairs should ensure that all staff carefully and thoughtfully review the financial statements and related notes. The Associate Vice President for Business and Fiscal Affairs should ensure that the amounts reported in the financial ledgers are accurate, that all notes are accurate at year-end and in agreement with the respective amounts in the financial statements, and that all financial reporting is done in accordance with generally accepted accounting principles.

Management should continue to evaluate risks and include them in documented risk assessment activities. Management should ensure that staff who are responsible for the design and implementation of internal controls to adequately mitigate those risks and to prevent and detect exceptions in a timely manner are continually evaluating those controls. Management should ensure that staff who are responsible for ongoing monitoring for compliance with all

requirements are indeed monitoring and taking prompt action when exceptions occur. All controls and control activities, including monitoring, should be adequately documented.

Management's Comment

Management concurs with the finding. These items have been added to a financial statement preparation checklist to ensure correctness. The Director of Accounting and the Associate Vice President for Business and Fiscal Affairs will ensure the review is completed.

**TENNESSEE TECHNOLOGICAL UNIVERSITY
ITEMS DISCUSSED AT FIELD EXIT CONFERENCE
NOT ADDRESSED IN AUDIT FINDINGS
FOR YEAR ENDED JUNE 30, 2009**

Cash

1. The Vice President of Business and Fiscal Affairs did not add the date of her approval on 19 of the 24 (79%) of the bank reconciliations reviewed. As a result, we could not determine the timeliness of the reviews. As a compensating control, the preparer of the bank reconciliations has no access to receipts or disbursements for the bank accounts. In addition, each morning the prior day's activity for the bank accounts are printed and reviewed by the Associate Vice President of Business and Fiscal Affairs and the Financial Management Analyst. Because of these compensating controls, the failure to add the date of approval along with the approver's signature will not be noted in the audit report.

In addition, one of the 24 (4%) of the bank reconciliations reviewed was prepared late. Administrative policies and procedures state that bank reconciliations be completed within 60 days of the end of the month being reconciled or within 90 days if extenuating circumstances are present. The July 2008 bank reconciliation was prepared 61 days after the end of the applicable month. While one bank reconciliation was prepared late, credit should be given for the improvement over the previous year.

Investments

2. The investment maturities schedule in the Component Unit Note was not correct. One corporate bond worth \$257,172.50 was classified as maturing in 1-5 years but should have been classified as maturing in 6-10 years. Another corporate bond worth \$204,534.00 was classified as maturing in 6-10 years even though it actually matures in 1-5 years. The net result of these two errors was that the 1-5 years column was overstated by \$52,638.50 and the 6-10 years column was understated by \$52,638.50. The audit report contains a corrected schedule.

DRAFT
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PELLISSIPPI STATE COMMUNITY COLLEGE
LIST OF ITEMS DISCUSSED AT THE FIELD EXIT CONFERENCE
NOT ADDRESSED IN THE AUDIT REPORT
FOR THE YEARS ENDED JUNE 30, 2009, AND JUNE 30, 2008

Internal Control Weakness

1. For 8 of 25 foundation pledges receivable tested at June 30, 2009, and June 30, 2008, (32%), the period over which the pledge was to be collected was not properly reported. If a donor did not make a scheduled payment, the Executive Director of the foundation would extend the scheduled payments into the future on the pledges receivable schedule without further documentation from the donor. The amounts involved are not material to the financial statements. The college's Vice President of Business and Finance should develop a policy to properly account for these delinquent pledges.

Reporting Error – Statement of Net Assets

2. For 2 of 11 foundation pledges receivable tested at June 30, 2009 (18%), previous payments made and total amounts due on the pledges were reported incorrectly on the pledges receivable report, which is used in the calculation of pledges receivable on the statement of net assets. The Executive Director of the foundation transposed these figures when compiling this report. Total pledges receivable were understated by \$5,760.00 at June 30, 2009, because of these errors. The audited statement was not corrected as the amount was deemed immaterial by the university's Assistant Vice President of Business and Finance.

Reporting Error – Notes to the Financial Statements

3. In note 18, in the college's 2009 financial report, a financial analyst classified \$1,847,455.13 of foundation pledges receivable as a level 2 asset as to fair value measurement. Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. The foundation uses internally developed estimates of cash flows (a level 3 input) and a discount rate based on the market (a level 2 or 3 input) for initial measurement of pledges receivable. Because the level for the measurement is determined by the lowest level of a significant input and the cash flow estimates are a significant input, the resulting measure of pledges receivable at initial measurement is usually a level 3 measure. No finding was drafted as this was a newly required disclosure, and FASB Statement 157 is very technical and difficult to interpret. The auditors do not believe this represents a significant deficiency, as the college's financial analyst properly researched the disclosure.

AUSTIN PEAY STATE UNIVERSITY
 SCHEDULE OF CHANGES IN FUND BALANCES
 UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

SCHEDULE 7

	Balance July 1, 2009	ADDITIONS				DEDUCTIONS				Balance June 30, 2010
		State Appropriations	Trusts	Other (See Exhibit)	Construction in Progress	Land	Buildings	Expenditures	Other (See Exhibit)	
Unexpended Plant Funds	\$ 2,507,788.83	\$ 0.00	\$ 0.00	\$ 71,500.00 (4)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,579,288.83	
Land Purchased	\$ 2,507,788.83	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,507,788.83	
New Construction	\$ 74,000.04	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 74,000.04	
New/Revised Student Agreements	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Construction of Buildings	\$ 6,028,427.68	\$ 0.00	\$ 0.00	\$ 5,875,540.02 (b)	\$ 5,875,288.68	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,903,267.70	
New Construction	\$ 20,994.63	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20,994.63	
Major Renovations	\$ 20,994.63	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20,994.63	
Amey/Donohom/Hitt	\$ 20,994.63	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20,994.63	
Major Renovations	\$ 20,994.63	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20,994.63	
Special Projects	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
State Capital Outlay	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Appropriations	\$ 0.00	\$ 101,209.38	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 101,209.38	
TBR Capital Proj Acct Costs	\$ 154,868.13	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 154,868.13	
Elmiron Hall Renovation	\$ 488,008.26	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 488,008.26	
Infrastructure Improvements	\$ 0.00	\$ 1,101,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,101,000.00	
Underground Electrical Upgrade	\$ 309,022.24	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 309,022.24	
ACIA Improvements	\$ 1,206,853.24	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,206,853.24	
McCombs Building Renovation	\$ 173,218.64	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 173,218.64	
McCombs Building Renovation	\$ 628,564.20	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 628,564.20	
McCombs Book Center	\$ 460,522.81	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 460,522.81	
University Center Renovation	\$ 342,008.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 342,008.65	
PC Campbell Classroom	\$ 342,008.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 342,008.65	
Hotel Board Upgrade	\$ 342,008.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 342,008.65	
Hotel Board Upgrade	\$ 1,500,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,500,000.00	
Neutrium Sewer Line	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Sub-total Appropriations	\$ 3,206,779.65	\$ 1,172,209.38	\$ 0.00	\$ 3,289,891.02 (4)	\$ 236,223.63	\$ 0.00	\$ 0.00	\$ 45,742.98	\$ 7,693,897.70	
Local Funds	\$ 1,724,871.83	\$ 0.00	\$ 4,298,917.62	\$ 5,072.64 (4)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,023,762.09	
Special Projects Fund	\$ 48,964.28	\$ 0.00	\$ 0.00	\$ 178,454.48	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 227,418.76	
Renovating	\$ 18,591.73	\$ 0.00	\$ 0.00	\$ 1,865.00 (4)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 16,726.73	
Press Box Improvements	\$ 39,220.16	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 39,220.16	
ID Card System	\$ 29,884.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 29,884.65	
Computer Train Costs	\$ 5,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,500.00	
Network	\$ 5,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,500.00	
Simoneo Renovation	\$ 61,748.83	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 61,748.83	
Academic Beautification	\$ 122,038.23	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 122,038.23	
Statue	\$ 250,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 250,000.00	
Statue	\$ 81,783.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 81,783.00	
Statue	\$ 14,141.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 14,141.00	
Statue	\$ 357,345.65	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 357,345.65	
House Demolition	\$ 62,574.50	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 62,574.50	
Building Shingling	\$ 37,387.83	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 37,387.83	
Campus Door Access	\$ 24,893.20	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 24,893.20	
Security Cameras	\$ 158,571.49	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 158,571.49	
Security Cameras	\$ 28,688.25 (4)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 28,688.25 (4)	
Mod Renovation	\$ 41,403.00 (4)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 41,403.00 (4)	
Farm Facility	\$ 293,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 293,000.00	
Recital Equipment	\$ 169,447.07	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 169,447.07	
Environmental Assessment	\$ 75,042.89	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 75,042.89	
Storock Renovation	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

AUSTIN PEAY STATE UNIVERSITY
 SCHEDULE OF CHANGES IN FUND BALANCES
 UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

SCHEDULE 7

	Balance		ADDITIONS		DEDUCTIONS		Balance				
	July 1, 2009	June 30, 2010	State Appropriations	Transfers	Construction in Progress	Land		Buildings	Equipment	Other Improvements	Other (See Footnotes)
Ellington 2nd Floor Renovation	0.00										
Ellington 1st Floor Renovation	21,269.00									1,369.36	1,369.36
Ellington 2nd Floor Renovation	2,269.00									40,747.83	42,016.83
Exposure Project	190,000.00									86,743.75	1,236,739
Station Building	0.00									6,728.88	6,728.88
Meyerholdts Building	359,072.79									64,150.55	423,223.34
Student Science Complex	33,807.29									35,000.00	68,807.29
White House Renovation	87,284.00									36,607.28	123,891.28
White House Renovation	170,290.32									115,563.86	285,854.18
Kenneth Building	0.00									52,200.02	52,200.02
Athletic Improvements	0.00									6,950.00	6,950.00
Sustainable Campus Projects	0.00									425,000.00	425,000.00
Maintenance Project - ARVA	0.00									170,889.32	170,889.32
Emergency Maintenance	150,000.00									6,789.88	156,789.88
Other Plant Funds	150,000.00									425,000.00	575,000.00
Total Unexpended Plant Funds	\$ 1,150,000.00		\$ 0.00	\$ 7,207,502.23	\$ 936,522.32	\$ 0.00	\$ 0.00	\$ 2,525,282.38	\$ 2,457,001.98	28,971.27	\$ 1,561,912.88
Special Projects	\$ 4,062,507.92										150,000.00
Total Unexpended Plant Funds	\$ 10,189,117.67		\$ 1,178,206.38	\$ 7,207,502.23	\$ 4,216,324.21	\$ 233,223.83	\$ 0.00	\$ 860,099.26	\$ 2,457,001.98	\$ 2,429,328.23	\$ 15,619,192.88
State Appropriations	\$ 18,287,225.95		\$ 1,478,206.38	\$ 7,207,502.23	\$ 10,297,448.70	\$ 11,719,191.29	\$ 395,492.89	\$ 877,632.45	\$ 0.00	\$ 2,821,480.36	\$ 3,821,480.36
Adjustment for Amounts on Deposit with State Treasurer	\$ 7,778,898.52		\$ 5,112,393.99	\$ 7,207,502.23	\$ 10,297,448.70	\$ 1,171,017.29	\$ 395,492.89	\$ 877,632.46	\$ 0.00	\$ 2,821,480.36	\$ 3,821,480.36
State Appropriations	\$ 11,510,226.53		\$ 5,290,030.27	\$ 7,207,502.23	\$ 10,297,448.70	\$ 1,171,017.29	\$ 395,492.89	\$ 877,632.46	\$ 0.00	\$ 2,821,480.36	\$ 3,821,480.36
Total Unexpended Plant Funds	\$ 7,778,898.52		\$ 5,112,393.99	\$ 7,207,502.23	\$ 10,297,448.70	\$ 1,171,017.29	\$ 395,492.89	\$ 877,632.46	\$ 0.00	\$ 2,821,480.36	\$ 3,821,480.36

(1) Other Additions

- (a) Interest \$2,571.75; refund due ARSU \$71,500
- (b) Proceeds from Commercial Paper \$5,525,840.02; reclassification \$50,683.33
- (c) Reallocations
- (d) Interest \$16,851; reclassification \$215,143.90
- (e) Interest \$171.99; reclassification \$30,218.07
- (f) Interest \$44,611; reclassification \$5,133.93
- (g) Interest \$16,772; reclassification \$190,000
- (h) Interest \$16,851; reclassification \$70,000
- (i) Interest \$31,281; reclassification \$33,053.07

(2) Other Deductions

- (a) Payment to be refunded
- (b) Non-capitalized expenses
- (c) Non-capitalized expenses \$3,183.17; reclassification \$16,625.83
- (d) Non-capitalized expenses \$28,542.17; reclassification \$7,525.15
- (e) Non-capitalized expenses \$20,007.80; reclassification \$50,383.67
- (f) Non-capitalized expenses \$10,007.80; reclassification \$5,736.15
- (g) Non-capitalized expenses \$19,337.52; reclassification \$23,735.27
- (h) Remove state allocation provision

EAST TENNESSEE STATE UNIVERSITY
 SCHOOL OF BUSINESS ADMINISTRATION
 UNRESERVED PLANT FUNDS
 For the Year Ended June 30, 2019

Schedule 7

Total Project Budget	Balances June 30, 2019	State Approp.	ADDITIONS					DEDUCTIONS						Balances June 30, 2019
			TSSBA	Inland Transfers	Other (See Footnotes)	Land	Building	Equipment	Other Improvements	Other (See Footnotes)				
New Construction														
Secor Faculty	3,823,000.00	84,209.61			480,414.81									542,228.66
Shelby	2,200,000.00	104,238.45			80,000.00									33,778.33
Food Service Plaza	1,684,400.00	1,000,239.55			60,000.00									182,190.73
Marion Center 4th Phase II	31,720,000.00	4,477,988.48			2,837,853.22									4,222,139.20
Marion Center 5th Phase II	10,300,000.00	2,424,725.52			213,880.65									2,638,606.17
Bio Ridge Apts Phase III	10,100,000.00	10,068,577.22			5,721,078.33									4,290,677.23
Bio Ridge Apts Phase IV	1,400,000.00	1,383,718.61			254,748.23									1,638,466.84
Bio Ridge Apts Phase V	11,000,000.00	(2,917,738.15)												8,082,261.85
Card/key Building	3,000,000.00	6,088.59			115,535.51									10,206,825.90
Provincetown	5,213,965.00													(2,289)
COB Student Center	1,280,000.00													1,280,000.00
Total New Construction														
	75,989,385.00	17,492,838.62			655,707.18			9,233,527.30		63,570.45		1,779,862.00		18,971,977.42
Major Renovation														
Diaper Center 2	3,394,000.00	919,888.59												1,644,226.74
Cold and Heat Dams Roof	1,200,000.00	322,200.28	(207,157.20)											4,410.19
Handing Renovations	18,800,000.00	2,851,617.18						801,461.18						1,786,556.11
Building Upgrade 03	1,200,000.00	289,699.41												6,896.71
Academic Admstrtn	1,200,000.00	1,483,618.35												716,036.87
Camp Kitchen	800,000.00	479,622.14												-
HVAC Replacement APOA	8,200,000.00				622,623.12			624,020.12						-
HVAC Replacement APOA	4,200,000.00				91,200.89			192,938.89						-
Room Renovation APOA	4,200,000.00				1,125,911.23			234,911.23						-
Nell Pickett Renovation	17,700,000.00				500,000.00			610,820.86						-
Lull Client Renew Phase II	4,470,000.00													-
Accounting Admpt	1,008,220.00	218,274.86												1,500.00
Fro Alum Reception	1,400,000.00	657,079.31												42,888.72
Brown Hall Structural Rep	1,200,000.00	160,311.02	(144,077.65)											2,061,653.65
Academic Center	1,200,000.00	851,575.26												46,294.00
Dorm Hallway and Secondary Elev	1,200,000.00	1,200,000.00												733,738.23
Academic Center Plus	175,000.00	118,423.11												195,988.26
Academic Center Plus	131,000.00	123,127.45												112,792.00
WVETS-FM Transmitter	152,500.00	58,008.55			5,219.27									192,281.9
COB Bldg 2 Electric	650,000.00	272,848.84	(28,868.41)											102,256.13
COB Bldg 6th and 6th Roof	800,000.00	270,464.12	(100,000.00)											(8.09)
COB Bldg 11th 5th/6th Repair	868,822.26	750,030.09	(750,030.09)											254,127.13
COB Bldg 7th 5th/6th Repair	7,250,000.00	84,345.84												976.40
Brown Apts Project			82,118.25											448,957.18
Total Major Renovations														
	62,411,254.70	8,964,831.40	(900,030.20)		5,870,220.00		(7,211.11)	1,954,588.88		2,889,220.93		692,907.29		19,292,276.91
Special Projects														
Master Plan Land Acq		382,161.82			1,000,000.00									1,382,244.82
Gifts of Property		8,700.00												8,700.00
Expenditures/Reck		322,839.57			280,896.12									302,035.67
Expenditures/Reck		712,244.26			200,000.00									1,471,236.51
Other Land Projects		572,244.26			(282,235.61)									280,008.65
Deferred Maintenance		282,835.01												280,722.85
VA Thales Renov		5,834.59			1,200.00									7,138.50
Booklet Renovation		67,553.82			200,000.00									165,446.81
Insurance User Pool		343,463.89			50,000.00									373,854.89
Secord Hall Renovation		2,999,282.77			50,477.22									6,584,107.40
Secord Hall Renovation		4,431.40			3,091,154.83									130.27
Yielder Hall Projects		91,477.22												284,434.08
Yielder Hall Projects		91,477.22			(59,477.22)									(32)
Emergency Preparedness		357,497.20			200,000.00									146,497.20
University Press Renovation					644,000.00									644,000.00
Brooks Gym Renovation					160,000.00									160,000.00
Total Special Projects		6,099,299.87			7,211.11			844,000.00		62,375.50				11,137,544.13

EAST TENNESSEE STATE UNIVERSITY
 SCHEDULE OF CHANGES IN FUND BALANCES
 Unexpended Plant Funds
 For the Year Ended June 30, 2010

Total Project Budget	Balances		ADDITIONS						DEDUCTIOINS				Balances	
	June 30, 2009	June 30, 2010	State Approp.	TS&BA	Transfer from Unexpended Plant Funds	Other (See Footnotes)	Land	Building	Equipment	Other Improvements	Other (See Footnotes)	July 31, 2010	June 30, 2010	
Unexpended Conts	-	(\$209,744.53)	2,269,814.71	(10,215,170.00)	-	-	-	-	-	-	-	(2,810,824.42)	-	
Conts Appropriated Conts	-	(19,872,028.73)	2,269,814.71	(10,215,170.00)	-	-	-	-	-	-	-	(2,810,824.42)	-	
Total Unexpended Plant Funds	\$ 134,102,616.39	\$ 13,242,292.28	\$ 2,269,814.71	\$ 10,704,820.00	(0.00)	8,340,868.85	11,802,751.23	319,843.45	2,627,461.28	4,647,694.57	\$ 13,052,027.29	\$ 13,052,027.29	\$ 13,052,027.29	

¹ \$202,411.68 Phisico cont. \$200,000 transfer from Debt Retirement
² Phisico cont.
³ \$17,280.35 Phisico cont. \$88,076.10 Lease payment.
⁴ Transfer from Unexpended Funds
⁵ Transfer from Renewals and Replenishment
⁶ \$21,677 Phisico cont. \$15,823 Transfer from Renewal and Replenishment
⁷ \$1,354.53 Interest. \$5,600,000 Transfer from Unexpended Funds
⁸ Non-Capitalized Expenditures
⁹ \$17,280.35 Transfer to Renewal & Replenishment. \$632,108.00 Non-Capitalized Expenditure
¹⁰ Transfer to Debt Retirement.
¹¹ \$2,627,461.28 Non-Capitalized Expenditures. \$44,137.28 Transfer to R & R
¹² \$8,340,868.85 Transfer to Renewal & Replenishment. \$917,242.23 Transfer to Debt Retirement

Schedule 7

MIDDLE TENNESSEE STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
Unexpended Plant Funds
For the Year Ended June 30, 2010

Schedule 7

	Balances July 1, 2009	Capital Appropriations	Capital Borrowing	Other Additions	Capital Expenses	Non-Capital Expenses	Other Deductions	Intra-fund Transfers	Balances June 30, 2010
Land									
62 Property Acquisitions	1,716,718.82								1,157,386.58
Total Land	<u>1,716,718.82</u>				<u>555,400.00</u>	<u>3,932.24</u>			<u>1,157,386.58</u>
New Construction									
College of Ed-Bah Sci Bldg	28,568,022.42				10,061,254.99	46,650.03		(9,693.36)	18,506,767.43
Health Wellness Recreation Facility	254,841.56		(39,782.04)						158,409.49
Observatory Phase 2	9,693.36				293,128.19				1,304,130.97
Parking and Transportation	1,597,259.16				21,327.79				657,597.15
Science Facilities Improvements	638,924.92								638,924.92
Total New Construction	<u>31,088,741.42</u>		<u>(39,782.04)</u>		<u>10,375,710.97</u>	<u>46,650.03</u>		<u>(9,693.36)</u>	<u>20,616,595.02</u>
Major Renovations									
ADA Adaptations	251,619.32	115,000.00		14,162.82	14,162.82	208,505.32			158,114.00
ARRA-Campus Lighting				37,952.48	37,952.48	22,616.07		5,818.99	
ARRA-Energy Management System						82,493.28		82,493.28	
Baseball Stadium Upgrade	16,797.08								
College Heights Renovations	15,815,386.07				10,335,464.04				5,478,922.03
Cordew & Cummings Halls Housing Ren	7,878,228.81			945,000.00	432,384.80				11,280,844.01
Deere and Nicks Housing Renovations	535,762.97								
Energy Savings Performance Contract	426,658.36		(426,658.36)						
Family Housing Renovation	154,447.27			487.98		77,713.00			77,222.25
Food Service Renovations	1,151,492.97					157,774.67			993,718.30
Life Safety Renovations	268,159.47		(268,159.47)						
Lyon Woodman Housing Renovation				4,000,000.00	226,933.50				3,773,066.50
MOE-Dairy Farm Improvements				1,800,000.00	681,689.68				1,118,310.32
MOE-Tucker Theatre					6,852,563.94				54,128,039.95
New Student Union	60,980,603.89					85,471.78			67,805.90
Several Bldg Safety and Code Cor	153,277.68								158,095.52
Several Buildings Roof Replacement	316,095.52	(158,000.00)							230,192.52
Smith Hall Complex Renovations	124,069.95		(124,069.95)						
Systems Replacement	448,235.67					218,045.15			10,390.66
Todd Renovation	10,390.66								
Underground Electrical Update	1,540,088.82								209,933.00
Total Major Renovations	<u>90,071,314.51</u>	<u>(43,000.00)</u>	<u>1,555,340.25</u>	<u>6,797,603.28</u>	<u>14,792,086.26</u>	<u>863,007.93</u>		<u>88,312.27</u>	<u>1,330,153.82</u>
Special Projects									
									<u>78,794,485.12</u>

MIDDLE TENNESSEE STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
Unexpended Plant Funds
For the Year Ended June 30, 2010

Schedule 7

	Balance July 1, 2009	Capital Appropriations	Capital Borrowing	Other Additions	Capital Expenditures	Non-Capital Expenditures	Other Deductions	Intra-fund Transfers	Balance June 30, 2010
Academic Space Renovations	1,000.23			275,000.00					275,000.00
ADA-AMG Elevator				83,295.89	83,295.89				
ARRA-10Giga Core Backbone Upgrade				692,918.05		692,918.05			
ARRA-Desktop Computer Replacements				163,074.36		163,074.36			
ARRA-High Availability Server Firmw				958,073.61		958,073.61			
ARRA-Interoperable Digital Radio Sy				351,066.59	351,066.59				899,683.84
ARRA-Replace Library Central Comput				64,448.30		64,448.30			
ARRA-Roof Replacement				40,000.00		40,000.00			
Athletic Scoreboards				60,000.00	45,948.61			(60,818.48)	40,000.00
Bauer Askew Archibauer, Pllc	60,818.48								
Blue Raider Drive Sidewalk	111,145.75			230,000.00		1,065.42		(200,000.00)	111,145.75
Buildings Roof Replacement	5,888.00								34,822.58
Campus Parking Signage	48,000.01								48,000.01
Campus Planning Projects	3,787.93			815,385.37		124,580.48	21,718.19	(307,011.26)	365,863.37
Capital Commitments	3,000,000.00			19,000,000.00					22,000,000.00
Concrete Industry Management	63,765.32					22,203.44			41,561.88
Cope Adm Bldg Renovations	102,025.65					64,903.26			37,122.39
Cope Admin Electrical Service Entry	27,056.93	(26,974.99)			81.94				
Dairy Farm Improvements	259,848.07								259,848.07
Demolitions						1,258.22		1,258.22	
Designer Regional Contracts	42,147.37					46,950.73		60,818.48	56,015.12
Directional Signage								200,000.00	200,000.00
ERP TBR Project				398,942.00			398,942.00		
EYPP Renovation Projects	40,883.31			400,000.00		251,207.46			189,677.85
Extracurricular Maintenance	391,710.86			50,000.00					441,710.86
Fairview Renovations	450,000.00			600,000.00		84,855.32			965,144.68
Frank Row Projects	17,871.37						17,871.37		
Ingram Building Conference Center	35,932.22								35,932.22
ITD Projects								(2,683.26)	
Jones Hall HVAC Upgrade	868,282.78			572,600.00					589,860.67
Middle Tennessee Blvd	1,523,096.60			400,000.00					1,523,096.60
MOE-Campus Lighting					10,483.30				389,516.50
MOE-Fiber Redundant Ring					8,975.27				49,195.68
Monahan and Lyon Housing LGIP	58,168.95								

MIDDLE TENNESSEE STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
Unexpended Plant Funds
For the Year Ended June 30, 2010

Schedule 7

	<u>Balance</u> <u>July 1, 2009</u>	<u>Capital</u> <u>Appropriations</u>	<u>Capital</u> <u>Borrowing</u>	<u>Other</u> <u>Additions</u>	<u>Capital</u> <u>Expenses</u>	<u>Non-Capital</u> <u>Expenses</u>	<u>Other</u> <u>Destinations</u>	<u>Intra-fund</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2010</u>
Murphy Center Fire Alarm Replacement PC Replacement	217,234.99	(169,158.81)		2,020.00		48,076.18			14,684.53
PHD Computational Sci Ren & Eq				83,000.00		(12,664.53)			72,122.37
PHD Math & Sci Ed Ren & Equip				63,000.00		10,877.63			52,122.12
PHD Molecular BioSci Ren & Eq				433,000.00		10,877.88			422,122.37
PHD Projects				395,000.00		10,877.63			395,000.00
Property Acquisition	121,709.69			220,615.87		68,533.45			220,615.87
Rutledge Exercise Renovations				220,000.00		65,066.77			154,933.23
Seclert Commons Repair	11,387.00						11,387.00		
Sewer System and Manhole Update	396,133.72								394,752.40
Student Affairs Projects	9,992.67				61,381.32			(9,992.67)	
Student Health & Wellness Ctr Equip	12,406.39						12,406.39		
TBR Consulting		138,504.28							260,776.51
Tennis Improvements	260,776.51								106,877.95
TN Livestock Center Updates	137,236.45				30,358.50				30,109.58
University Relations Projects	37,856.02							(37,856.02)	
Util GPS and Sonar Scan				60,000.00					48,638.16
Utility Mapping	48,638.16								48,638.16
WMOT Tower Project	6,495.81					4,289.63			2,206.18
Total Special Projects	8,373,962.89	(67,829.52)		26,634,440.04	977,848.81	2,136,449.07	462,324.95	(118,161.23)	31,255,808.96
Unexpended Approp on Deposit w/Trans	(251,619.32)	93,505.32							(158,114.00)
ADA Adaptations Unspent Approp	(28,568,022.42)	10,061,254.99							(18,506,767.43)
Coil Bldg-Beh Sci Bldg Unspent Appr	(27,056.93)	27,056.93							(67,805.99)
Cope Adm Bldg Svc Unspent Appr	(153,277.68)	85,471.78							(89,860.67)
East Alternatly Safety Code Unspent	(868,282.78)	278,422.11							(993,718.30)
Jones Hall HVAC Update Unspent Appr	(1,151,492.97)	157,774.67							(428,850.38)
Life Safety Renovations Unspent App	(217,234.99)	217,234.99							(234,752.40)
Murphy Ctr Fire Alarm Rptl Unspent	(374,973.92)	(53,876.48)							(230,192.52)
Science Facilities Imp Unspent Appr	(158,000.00)	158,000.00							(106,877.95)
Several Buildings Roof Unspent Appr	(296,133.72)	61,381.32							(234,752.40)
Sewer System and Manhole Unspent Appr	(448,235.67)	218,043.15							(230,192.52)
Systems Replacement Unspent Approp	(137,236.45)	10,390.66							(106,877.95)
TN Livestock Ctr Updat Unspent Appr	(10,390.66)	209,935.00							(1,390,153.82)
Todd Renovation Unspent Approp	(1,540,088.82)								
Underground Electrical Unspent Appr									

MIDDLE TENNESSEE STATE UNIVERSITY
SCHEDULE OF CHANGES IN FUND BALANCES
Unexpended Plant Funds
For the Year Ended June 30, 2010

Schedule 7

	Balances July 1, 2009	Capital Appropriations	Capital Borrowing	Other Additions	Capital Expenses	Non-Capital Expenses	Other Deductions	Inter-fund Transfers	Balances June 30, 2010
Total Unexpended Appro on Deposit w Treas	<u>(34,202,446.33)</u>	<u>11,554,952.96</u>							<u>(22,647,093.37)</u>
TSSBA Author for Bonds Not Issued	(39,542.32)							39,542.32	
Baseball Stadium Upgrade Bond Proc	(15,815,386.07)		10,336,464.04						(5,478,922.03)
Corlew & Cummings Bond Proceeds	(7,878,228.81)		(2,472,827.70)						(10,351,056.51)
Deere Nicks Housing Renov Bond Proc	(535,762.97)		535,762.97						
Energy Savings Ref Cont Bond Proc	(426,658.36)		426,658.36						
Family Housing Renovation Bond Proc	(39,782.04)		39,782.04						
Health Wellness Rec Fac Bond Proc	(268,159.47)		268,159.47						
Lyon Monahan Housing Reno Bond Proc	(60,780,752.63)		6,793,214.21						(53,987,538.42)
New Sta Union Unspent Bond Proceeds	(1,597,239.16)		293,128.19						(1,304,130.97)
Packing and Trans Bond Proc	(124,069.95)		124,069.95						
Smith Hall Complex Renov Bond Proc	<u>(87,506,601.78)</u>		<u>16,344,411.53</u>						<u>(71,121,647.93)</u>
Total TSSBA Author for Bonds Not Issued	(1,716,718.82)		559,332.24						(1,157,386.58)
Gen Oblig Auth for Bonds Not Issued	<u>(1,716,718.82)</u>		<u>559,332.24</u>						<u>(1,157,386.58)</u>
62 Property Acq Unspent GO Bond			559,332.24						(1,157,386.58)
Total Gen Oblig Auth for Bonds Not Issued	<u>(1,716,718.82)</u>		<u>559,332.24</u>						<u>(1,157,386.58)</u>
Total Unexpended Plant Funds	<u>7,826,390.32</u>	<u>11,454,123.44</u>	<u>18,399,310.98</u>	<u>33,432,043.32</u>	<u>30,701,046.04</u>	<u>3,050,039.27</u>	<u>462,324.95</u>	<u>0.00</u>	<u>36,898,457.80</u>
Footnotes									
Cash Gifts From Businesses				40,000.00					440,606.76
Interest Income				54,273.35					21,718.19
Transfers from Endowment Funds				155,100.00					462,324.95
Transfers from Educ and General				31,527,054.10					
Transfers from Renew and Replace				1,655,615.87					
Transfers to Renew and Replace									(440,606.76)
Tf to Retirement of Debt									(21,718.19)
				<u>33,432,043.32</u>					<u>462,324.95</u>

TENNESSEE STATE UNIVERSITY
 SCHEDULE OF CHANGES IN FUND BALANCES
 UNEXPENDED PLANT FUNDS
 JUNE 30, 2010

SCHEDULE 7

Project	Total Project Budget	Balance June 30, 2009	ADDITIONS			DEDUCTIONS			Balance June 30, 2010
			State Appropriations	Other (Footnote)	Buildings	Other Improvements	Non Capital Expenditures	Other (Footnote)	
NEW CONSTRUCTION:									
Redaction Center Project	\$ 1,476,000.00	\$ -	\$ -	\$ -	-	-	-	-	\$ 671,150.78
Research and Sponsored Programs Building	8,590,000.00	722,005.36	(44,854.58)	-	-	-	-	-	8,054,255.20
TV Studio / Performing Arts Building	1,000,000.00	-	-	-	-	-	-	-	-
TOTAL NEW CONSTRUCTION	11,426,000.00	722,005.36	(44,854.58)	-	-	-	-	-	671,150.78
MAJOR RENOVATIONS:									
Campus Improvements (Local)	1,856,700.00	4,077,438.57	-	15,214,000.00	-	-	-	-	19,011,236.37
Auxiliary Enterprise Campus Improvement	909,530.00	611,038.18	-	1,945,341.12	-	-	-	-	2,565,719.30
Geny Center Site Dev and Parking Lot	750,000.00	-	13,282.26	-	-	-	-	-	13,282.26
Hunkel Hall Renovation	-	497,740.70	-	-	-	-	-	-	497,740.70
Consultant	-	-	-	-	-	-	-	-	-
Capital Project Administration Cost	186,327.38	-	-	-	-	-	-	-	-
North Campus Improvement	425,000.00	-	23,180.89	-	-	-	-	-	23,180.89
ADA Accessibility Upgrade	460,040.00	(1,505.00)	-	1,503.00	-	-	-	-	(0.00)
Avon Williams-Campus Improvement	15,500,000.00	23,660.07	506,271.16	-	480,534.31	-	-	-	926,236.88
Roof Repairs	1,125,000.00	573,660.00	612,178.08	-	-	-	-	-	1,185,838.08
Elliot Hall Preservation	590,000.00	129,883.26	-	-	-	-	-	-	129,883.26
McCord Hall Mechanical	483,000.00	58,154.75	-	(98,154.75)	-	-	-	-	(0.00)
Hann/McCord Hall / Life Science Upgrade	150,000.00	-	403,666.87	-	350,187.27	-	-	-	753,854.14
Power Plant Mechanical	3,110,000.00	-	-	-	-	-	-	-	-
Hammer Hall Lab Upgrade	262,214.00	0.00	-	2,130,033.30	-	-	-	-	2,130,033.30
Clemson Hall Renovation - Title III	-	-	-	1,215,142.54	-	-	-	-	1,215,142.54
TS-UJ CIT Information 2007-08	-	-	-	664,578.92	-	-	-	-	664,578.92
Electrical Distribution System	1,880,000.00	384,626.64	-	784,919.46	12,022.24	-	-	-	1,161,568.34
Indoor Practice Facility	-	-	-	150,000.00	-	-	-	-	150,000.00
Humphreys Hall Renovation	-	-	-	89,158.17	-	-	-	-	89,158.17
TS-UJ Perform Art/ Radio Studio 09-10	-	-	-	155,672.06	-	-	-	-	155,672.06
TS-UJ Edition Hall/Museum 2006-07	-	-	-	2,907.47	-	-	-	-	2,907.47
Cooperative Extension Renovation	1,385,840.00	1,365.08	-	2,225,438.18	-	-	-	-	3,610,603.26
TOTAL MAJOR RENOVATIONS	29,410,111.38	14,328,183.33	2,225,438.18	21,622,627.37	\$42,716,82	1,320,580.96	3,600,497.03	250,138.87	30,000,467.27
SPECIAL PROJECTS:									
Extracurricular Maintenance	170,672.47	150,641.80	-	-	-	-	-	-	150,641.80
CAAP Animal and Poultry	-	-	-	-	-	-	-	-	-
Early Learning Center Renovations	-	5,260.00	-	-	-	-	-	-	5,260.00
Distance Learning Center	1,760,000.00	-	-	7,908.92	-	-	-	-	7,908.92
Facilities Ext	230,090.00	-	-	-	-	-	-	-	-
Faculty/Agri Science	1,479,716.56	0.00	-	-	-	-	-	-	0.00
Agribusiness Extension Center	-	(119,503.56)	-	195,717.47	-	-	-	-	76,213.91
Safety/ADA Upgrades	-	(127,422.92)	-	-	-	-	-	-	(127,422.92)
Student Housing Fire Suppression Retrofit	-	123,747.09	-	(123,747.09)	-	-	-	-	0.00
NSP Labs DOD	-	-	-	-	-	-	-	-	-
Museum	-	-	-	237,562.01	-	-	-	-	237,562.01
Teaching Learning Landscape	-	-	-	(123,747.09)	-	-	-	-	(123,747.09)
Buildings Window Project 202	-	-	-	107,757.58	-	-	-	-	107,757.58
Athletics Non TSSBA Projects	-	-	-	186,000.00	-	-	-	-	186,000.00
Arschule Flood Damage	-	-	-	100,000.00	-	-	-	-	100,000.00
Energy Services & Performance Commission	2,400,000.00	-	-	-	-	-	-	-	-
TOTAL SPECIAL PROJECTS	6,040,479.03	(123,580.42)	303,475.05	407,733.84	\$42,716,82	1,320,580.96	219,261.60	250,138.87	283,635.86
TOTAL UNEXPENDED PLANT FUNDS	\$ 46,876,590.41	\$ 14,924,310.27	\$ 2,484,078.65	\$ 22,028,351.21	\$42,716,82	\$ 1,561,813.80	\$ 3,819,759.65	\$ 250,138.87	\$ 30,970,244.01
(a) Transfer Out of Unexpended Plant (Credits)									
(b) Transfer Into Unexpended Plant (Credits)									
(c) Federal									

TENNESSEE TECHNOLOGICAL UNIVERSITY
 SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2010

Schedule 7

Unexpended Plant Fund Projects	Additions										Deductions		Balances June 30, 2010
	July 1, 2009	State Appropriations	TSSBA	Infrared Transfers	Other	Land	Buildings	Equipment	Other Improvements	Other			
Major Renovations													
Fire Alarm System	0.00	42,589.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,589.23	(a)	0.00	
Central Cooling Ductwork	0.00	35,653.60	0.00	0.00	0.00	0.00	36,650.60	0.00	0.00	36,650.60	(a)	0.00	
Housing Fire Safety Upgrade 110605	239,726.00	946,728.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	946,728.66	(a)	0.00	
Basement Office 117015	0.00	0.00	0.00	0.00	0.00	0.00	193,972.33	0.00	0.00	193,972.33	(a)	0.00	
Turf Replacement 110506	54,155.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54,155.22	(a)	0.00	
Campus Wide Elevators 110107	120,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	120,000.00	(a)	0.00	
MOE IT - CA Campaigns Piping 110307	0.00	592,173.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	592,173.36	(a)	0.00	
MOE IT - CA Campaigns Piping	0.00	12,486.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,486.65	(a)	0.00	
TV Student Ayr Renovation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	0.00	
Carver Hall Rest Renovation	0.00	0.00	315,912.25	0.00	0.00	0.00	315,912.25	0.00	0.00	315,912.25	(a)	0.00	
MOE Central Cooling	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	0.00	
Johnson Hall Classroom 401 Renovation	45,999.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,999.50	(a)	0.00	
Total Major Renovations	\$ 342,762.93	\$ 1,632,651.30	\$ 315,912.25	\$ -54,155.22	\$ 0.00	\$ 0.00	\$ 348,518.33	\$ 0.00	\$ -549,372.74	\$ 1,984,413.79	(a)	\$ 2,654,638.37	
New Construction													
Nursing and Health Services Bldg	278,828.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	277,591.66	
STEM Center	3,034,438.11	0.00	0.00	0.00	0.00	0.00	41,317.05	0.00	0.00	41,317.05	(a)	714,468.95	
New Residence Hall 110407	0.00	0.00	14,692,472.56	0.00	0.00	0.00	2,352,122.45	0.00	0.00	2,352,122.45	(a)	468,120.00	
Conditioning and Strength Center	300,000.00	0.00	0.00	0.00	0.00	0.00	14,693,475.64	0.00	0.00	14,693,475.64	(a)	468,120.00	
Total New Construction	\$ 3,813,266.82	\$ 0.00	\$ 14,692,472.56	\$ 0.00	\$ 0.00	\$ 0.00	\$ 995,254.78	\$ 0.00	\$ 0.00	\$ 14,693,475.64	(a)	\$ 1,459,338.61	
Special Projects													
Capital Project Admin Car Alice	0.00	105,270.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	105,270.30	
Parking and Paving	297,438.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	492,238.75	
Emergency Maintenance	247,173.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	281,238.75	
Emergency Maintenance	330,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	482,000.00	
Emergency Paving	639,547.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	659,547.72	
UC Elevators	590,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	590,000.00	
Landscaping	46,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	46,000.00	
Library Dining Service Renovation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	302,000.00	
Learning Village Renovation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	10,000.00	
Emergency Paving	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	14,000.00	
Renovation Auditorium Renovation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	140,000.00	
Various Academic Bldg Renovation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(a)	979,200.00	
Total Special Projects	\$ 2,029,232.95	\$ 105,270.30	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,276,000.00	(a)	\$ 990,000.00	
Total Unexpended Plant Fund Projects	\$ 6,390,357.59	\$ 1,737,881.19	\$ 15,692,782.12	\$ 0.00	\$ 6,011,339.47	\$ 0.00	\$ 18,230,707.63	\$ 4,000.00	\$ -549,372.74	\$ 21,161,179.50	(a)	\$ 8,864,482.66	

- (a) From Unrestricted BACG
- (b) From R2 Revenue
- (c) From Campus Foundation
- (d) From Campus Organization
- (e) From RR Dining Services
- (f) From Campus Foundation 2100,000, From Unrestricted BACG 540,000
- (g) Noncapital Expenditures
- (h) To R2B2B Center

THE UNIVERSITY OF MEMPHIS
SCHEDULE OF CHANGES IN FUND BALANCE - UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2010

SCHEDULE 7

Project Budget	Balance June 30, 2009	Additions		Deductions			Balance June 30, 2010
		Instructed Transfers	Other (Rooming)	Land	Buildings	Equipment	
LAND PURCHASES							
Local Funds							
Campus Additions	7,716,221		628,238.55				1,427,362.88
Tennessee State General Obligation Bond Authority Funding							
Land Acquisition Program	7,000,000						2,800,022.30
TOTAL LAND PURCHASE	\$ 14,716,221		\$ 628,238.55	\$ 747,419.88	\$ 1,129,600.00	\$ 747,419.88	\$ 4,227,385.18
NEW CONSTRUCTION							
State Capital Outlay Appropriation							
Tennessee State School Board Authority Funding	24,850,000	9,461,462.74			9,447,298.35		44,164.39
West Hill Student Housing K-ep TSSBA	3,670,081	10,919.22		(10,919.22)			
Campus Student Housing Additions							
West Hill Student Housing K-ep - Local	1,000,000	982,500.00		16.39	37,101.50		713,175.01
Felix Building Emerging Technology Center	6,596,542	103,563.81		529.75	20,518.50		83,375.06
Campus Student Housing Additions	5,690,000	425,988.16			19,341.70		406,646.46
Women's Softball Field	1,205,761	7,260.00			6,021.50		
TOTAL NEW CONSTRUCTION	\$ 37,891,384	\$ 11,021,494.53	\$ (1,239.10)	\$ (1,239.10)	\$ 9,530,281.55	\$ 796,530.07	\$ 683,030.73
MAJOR RENOVATIONS							
Tennessee State School Board Authority Funding							
Performance Consulting	9,600,000	5,127,213.76					290,636.50
Smith Dorn Fire Safety Upgrade	1,103,183	196,817.14			(196,817.14)		
State Capital Outlay Appropriation							
Access and Security Upgrades	2,000,000	1,984,582.53					19,782.30
White Tower Brick Facade Restoration	4,600,000	474,262.62					403,574.73
Engineering Complex HVAC/Fire Services	42,000,000	1,275,797.15			1,085,135.36		190,681.79
Law School Renovation		15,233,783.57			15,080,975.02		172,908.55
Local Funds							
Parking Improvements	1,066,000			1,066,000.00			76,619.42
Refrigerator Towers Break Repair(CAP)	750,000	500,000.00		750,000.00			44,350.70
Law School - GHS	500,000	100,000.00		6,500,548.79			1,280,000.00
WJ Brick Facade Restoration	100,000				5,300,000.00		
Tennis Facility		32,465.60					889,180.58
Student Activities Complex UC Renovation Interest	1,178,661	280,954.54					705,649.30
Athletic Training Center Addition & Modification	4,613,000	3,484.17					500,548.79
Renovations to 72 Building - Phase II	1,550,000	812,983.36					100,000.00
University Center Renovation	20,560,000	15,347,278.87			562,139.94		28,872.72
Millington Center Facility Upgrades	5,254,219	0.00			11,897,989.40		2,805.23
Computer Machine Room Renovation	1,541,197	559.54					250,843.42
TOTAL MAJOR RENOVATION	\$ 96,416,280	\$ 41,372,153.27	\$ (101,791.40)	\$ 8,583,005.80	\$ 33,906,139.72	\$ 8,792,464.39	\$ 7,154,765.56
SPECIAL PROJECTS							
State Capital Outlay Appropriation							
Drainage Corrections	4,450,000	1,001,091.96					902,831.96
Accessibility (ADA) Adaptations Phase II	1,068,815	503,320.56					519,943.00
South Campus Electric and Gas Modification	5,110,000	2,482,137.81					451,377.56
Variable Flow Pumping	3,940,000	126,029.12					1,840,497.80
Community Health Facility	850,000	286,072.49					611,639.71
Biotechnology and Biology Facility	850,000	699,939.21					126,009.12
Capital Projects Administrative Cost Allocation	800,009			246,830.80			206,629.39
Local Funds							
White Tower 9th Upper F	99,009						523,271.51
Adeona Renovation - Fieldhouse	5,009						35,386.50
Central West Career Innovation	10,000						5,000.00
FCBE Restrooms	80,000						1,271.41
							800,000.00

THE UNIVERSITY OF MEMPHIS
SCHEDULE OF CHANGES IN FUND BALANCE - UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2010

SCHEDULE 7

SPECIAL PROJECTS (Continued)	Total Project Budget	Balance June 30, 2009	Incr./Decr. Transfers	Additions		Land	Deductions		Balance June 30, 2010
				Other (Footnotes)	Other (Footnotes)		Equipment	Other (Footnotes)	
Local Funds (Continued)									
SC Boulder House/Robison Hall Asbestos Removal	\$ 187,000.0			\$ 187,000.00			\$ 5,082.00	\$ 181,918.00	
Wyneters and South Hall Exterior Repairs	850,000			850,000.00			10,542.45	839,457.55	
Chemist Steam Line Damage Repair	710,719			710,718.87			710,718.87		
Brider & Jones Hall HVAC - Green Fee	350,000			350,000.00			12,314.00	337,686.00	
Soil Mechanics Lab	106,730	105,098.10					105,098.10		
Music Building Stage Life	225,000	225,000.00					16,697.20	208,302.80	
AV Systems and Controls	150,000	150,000.00					114,460.40	35,539.60	
Jones Hall Chiller	184,324	184,992.81					184,992.81		
IT Infrastructure	1,256,097	1,111,082.82					5,324.00	97,564.33	
Computer Heating Cams	78,741	6,259.85					6,259.85		
Wilson Hospitality Education Center - Interest		26,480.21		23,483.17				49,964.08	
Library System Software	682,648	93,857.27					3,181.34	93,837.27	
Equipment Acquisitions	850	20,928					67,389.37	209.58	
Jones Hall VAV Box Replacement - 1	99,000	57,849.92					18,762.44	54,668.58	
Conductive Inertube Space Prepare	60,000	133,337.85	\$ 5,611.22						
ERGA Furniture	91,238	18,762.44							
CSC Renolt	34,120	95,560.90							
Dedicated Parking Garage Post Improvements	17,462	10,650.75							
Rose Theater Drapery Replacement	79,369	43,832.68							
Fume Hood Replacement (GBH)	129,500	11,106.20		221.63				24,619.00	
Campani Dietschold Signs	30,000	86,184.39						220.48	
Child Care Expansion	12,816	16,577.85							
Jones Room 100 Projects	34,925	63,952.10							
Randy Hall Elevator Replacement		11,951.72							
TCC Reconstruction Redoers Storage	58,926	2,793.00		5,000.00				15,000.00	
TCC Reconstruction Physical Plant	19,000	19,000.00						73,354.00	
Deferred Maintenance - Phase III (FP)	460,000	40,751.63		137.37					
Wilder Tower Repair	19,000	2,890.22							
Wilder Tower Remodeling	731,110	866.42							
Resilient Fee Project	5,000	5,000.00							
Roof Tile Maintenance		2,721.54							
Unallocated Funds from Completed Projects		2,721.54							
Electronium Maintenance	59,878	209,878.64		50,000.00				83,438.08	
Major Maintenance	480,015	89,803.22		68,687.89				5,000.00	
Custodian Improvement	1,590,000	350,988.77		21,371.59				1,878.15	
Facility Fee	1,473,992	820,764.83		506,000.00				328,566.53	
Deferred Maintenance Phase II	324,155	490,703.59		28,084,500.00				239,318.77	
Utilities Punctuation/Energy Conservation	1,170,168	338,697.65		300,000.00				728,599.10	
University Renovations		338,697.65						281,513.10	
TOTAL SPECIAL PROJECTS	\$ 28,921,509	\$ 9,846,025.12	\$ 123,861.19	\$ 32,120,463.59	\$ 1,345,620.19		\$ 5,398,043.79	\$ 34,703,683.83	
ARRA FUND PROJECTS									
Nursing Accommodations New Facility	\$ 40,000			\$ 22,704.82			\$ 22,704.82		
Honors Hall Learning Space	150,000			116,610.49			69,943.40		
Law School HVAC Replacement	4,750,000			148,305.53			148,305.53		
Administration 1st Floor Renovation	480,000			15,735.00			15,735.00		
Campus Energy Savings & Safety	1,000,000			3,135.00			3,135.00		
TOTAL ARRA FUND PROJECTS	\$ 6,420,000			\$ 306,490.75			\$ 239,823.75		
MOE FUND PROJECTS									
Math Redesign - 384 Patterson	\$ 45,000			\$ 45,000.00			\$ 12,274.00	\$ 20,956.96	
				\$ 106				\$ 11,769.04	

THE UNIVERSITY OF MEMPHIS
SCHEDULE OF CHANGES IN FUND BALANCE - UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2010

SCHEDULE 7

	Total Project Budget	Balance June 30, 2009	Additions				Deductions				Balance June 30, 2010							
			Investment Transfers	Other (Furniture)	Land	Buildings	Equipment	Other (Furniture)										
Environmental Graphics Firm - Stubs	30,000		\$ (100,000.00)	100,000.00							30,000.00							
Underground Utility Mapping	1,400,000			50,000.00					1,389,940.06		99.94							
Compass Wireless Upgrade	300,000			1,400,000.00					51,721.95		248,278.05							
Robison Hill Peephole			100,000.00	200,000.00					1,472,818.67		290,107.05							
TOTAL MOE FUND PROJECTS	1,775,000		\$ 1,775,000.00	1,775,000.00					1,775,000.00		290,107.05							
UNALLOCATED																		
Local Funds			\$ (20,830.69)	20,830.69														
Unallocated Local Funds			\$ (20,830.69)	20,830.69														
TOTAL UNEXPENDED PLANT FUNDS BEFORE ADJUSTMENT		\$ 186,160,428		\$ 68,666,693.10					\$ 43,423,656.21		\$ 747,419,888	\$ 45,909,641.46	\$ 58,941.00	\$ 17,655,352.64		\$ 47,118,994.33		
ADJUSTMENTS																		
Accounts on Deposit with State Treasurer																		
Representing Unexpended State Appropriations			\$ (23,961,852.80)															
Adjustment for TSSBA Authorizations for which Bonds have not been issued			(14,826,412.86)						18,799,535.07									
Adjustment for General Bond Authorizations for which Bonds have not been issued			(4,677,042.18)						14,491,621.97									
TOTAL ADJUSTMENTS			\$ (43,465,307.84)						1,877,019.88									
TOTAL UNEXPENDED PLANT FUNDS		\$ 186,160,428	\$ 24,601,385.26						78,591,633.13									\$ 38,761,663.41
a Transfer from Funds for Renewals and Replacement		\$ 445,574.37																\$ 7,389.37
b Transfer from Current Unrestricted Funds, Auxiliary		\$ 182,714.18																\$ 60,000.00
c Transfer to Funds for Retirement of Indebtedness		\$ 628,238.52																\$ 67,389.37
d Costs not considered capital expenditures		\$ 188,747.71																\$ 382,597.00
e Tennessee State School Bond Authority Borrowing		\$ 162,103.96																\$ 68,393.49
f Investment Income		\$ 350,651.67																\$ 448,750.49
g Costs not considered capital expenditures																		\$ 87,155.63
h Transfer to Funds for Renewals and Replacements																		\$ 61,489.90
i Other Improvements - electrical work																		\$ 530,000.00
j Other Improvements - safety items																		\$ 548.79
k Other Improvements																		\$ 1,200,000.00
l Transfer from Funds for Renewals and Replacement																		\$ 6,500,548.79
m Investment Income		\$ 14.00																\$ 32.50
n Gifts from The University of Memphis Foundation		\$ 370,000.00																\$ 148,205.52
o State capital outlay appropriation		\$ 370,014.00																\$ 51,639.45
p Transfer from Current Unrestricted Funds, Educational & General		\$ 25,000.00																\$ 51,721.95
q Anticipated proceeds from insurance claims		\$ 683,718.87																\$ 69,316.70
r Transfer to Funds for Retirement of Indebtedness		\$ 710,718.87																\$ 115,676.11
s State capital outlay appropriation		\$ 63,850.56																\$ 184,992.81
t Transfer from Current Unrestricted Funds, Educational & General		\$ 101.54																\$ 14,182.04
u Anticipated proceeds from insurance claims		\$ 63,952.10																\$ 81,338.30
v Transfer to Funds for Renewals and Replacements		\$ 167.27																\$ 95,520.34
w Investment Income		\$ 23,315.90																\$ 14,182.04
x Transfer from Funds for Retirement of Indebtedness		\$ 23,483.17																\$ 95,520.34
y Net of state appropriations and expenditures																		\$ 14,182.04
z Net of Tennessee State-School Bond Authority authorizations and expenditures																		\$ 81,338.30
aa Net of Tennessee State-School Bond Authority authorization and expenditures																		\$ 95,520.34
ab Net of state appropriations and expenditures																		\$ 14,182.04
ac Net of Tennessee State-School Bond Authority authorizations and expenditures																		\$ 81,338.30
ad Net of State of Tennessee General Obligation authorization and expenditures																		\$ 95,520.34

QUANTICOVA STATE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

SCHEDULE 7
 DOCUMENTED

	BALANCE 2/29/1,200	TRANSFER FROM CHSBBOT FUNDS	AIRBORNE			DEPARTMENT			BALANCE JUN 30, 2015
			REALLOCATIONS	OTHER	BALANCE	OTHER	EQUIPMENT		
STATE CAPITAL OUTLAY									
TR Admin Costs	\$ -	\$ -	\$ -	\$ 34,585.88 (a)	\$ -	\$ -	\$ 34,585.88 (b)	\$ -	
ADA	-	-	-	10,228.65 (a)	-	-	10,228.65 (b)	-	
Comptrol/Prnt	-	-	-	9,975.54 (a)	-	-	9,975.54 (b)	-	
Allied Health Building	-	-	-	3,892,213.46 (a)	1,676,836.42	676,346.02	1,696,091.02 (b)	-	
WTCJ Repairs	-	-	-	490,896.85 (a)	-	-	490,896.85 (b)	-	
CSBH & East Campus Roof	-	-	-	322,141.25 (a)	-	-	322,141.25 (b)	-	
TENNESSEE STATE SCHOOL BOND									
AUTOMATIC FUNDINGS	-	-	-	978,496.88 (d)	978,496.88	-	-	-	
Autmatic Fund Upgrades	-	-	-	(5,708,452.61)	(2,653,273.20)	(976,346.02)	(2,378,069.29)	-	
Adjustment for Unexp. Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
LOCAL FUNDED PROJECTS	\$ 1,262,211.28	\$ 1,500,000.00	\$ -	\$ 7,091.07 (e)	\$ -	\$ 126,979.75	\$ 451,002.50 (f)	\$ 237,457.25	
Renovations	250,000.00	-	-	-	-	-	124,588.51	1,953,457.55	
Centrica Master Plan	100,000.00	-	-	-	-	-	361,216.25	125,417.49	
Extrordinary Maintenance	253,748.00	-	37,487.25	-	-	-	120,254.87	100,000.00	
Gym Floor & Bleachers	135,000.00	-	-	-	-	-	-	14,745.15	
WTCJ Repairs - Local	256,831.00	200,000.00	-	-	2,160.32	-	51,892.95	494,979.65	
Autmatic Fund Remitings	-	-	200,000.00	-	-	-	6,820.65	148,907.05	
Autmatic Fndg - Furnishings	-	-	-	-	-	-	-	-	
Autmatic Fndg - Upgrades	-	6,820.65	-	-	-	-	-	-	
TOTAL UNEXPENDED PLANT FUNDS	\$ 2,307,589.28	\$ 1,700,820.65	\$ 237,457.25	\$ 7,091.07	\$ 2,160.32	\$ 126,979.75	\$ 1,055,575.03	\$ 2,836,706.50	
(a) State Appropriations									
(b) Non-capitalized expenditures									
(c) Interest Income									
(d) TSBA Funding									
(e) Non-capitalized expenditures									
Other Allocation	\$ 447,005.57								
	\$ 3,996.88								
	\$ 451,002.45								

**CLEVELAND STATE COMMUNITY COLLEGE
SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUNDS
for the year ended June 30, 2010**

Schedule 6
Unaudited

	Balances July 1, 2009	Additions				Deductions			Balances June 30, 2010
		State Approp.	Transfers	Other	Building Expenditures	Equipment	Other		
STATE CAPITAL PROJECTS									
Capital Project Management Fee	\$ 0.00	\$ 5,788.79	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,788.79	\$ 0.00	
HVAC Project	0.00	23,562.06	0.00	0.00	23,562.06	0.00	0.00	0.00	
Roofing Project	0.00	418,739.74	0.00	0.00	418,739.74	0.00	0.00	0.00	
ADA Project	0.00	9,641.54	0.00	0.00	0.00	0.00	9,641.54	0.00	
LOCAL PROJECTS									
Campus Improvement Project	\$ 336,406.88	\$ 0.00	\$ 1,100,000.00	\$ 1,179.66	\$ 7,531.68	\$ 0.00	\$ 6,876.40	\$ 1,423,178.46	
Parking Lot Improvement	372,788.19	0.00	200,000.00	1,326.92	0.00	0.00	0.00	574,115.11	
Business Incubator Project	14,277.83	0.00	0.00	0.00	0.00	0.00	2,755.50	11,522.33	
Energy Perform. Project Bond	(407,317.72)	0.00	0.00	23,605.26	0.00	0.00	0.00	(383,712.46)	
Auditorium Renovation	391.68	0.00	0.00	975,399.09	0.00	0.00	0.00	362,516.16	
Campus Keyring Project	99,241.84	0.00	0.00	353.61	610,467.50	0.00	2,807.11	99,695.45	
Sale of Property	12,300.00	0.00	0.00	0.00	0.00	0.00	0.00	12,300.00	
Master Plan	0.00	0.00	100,000.00	0.00	0.00	0.00	0.00	100,000.00	
ARRA Science Lab Modernization	0.00	0.00	44,147.90	0.00	0.00	0.00	44,147.90	0.00	
Extraordinary Maintenance	136,999.27	0.00	0.00	487.65	0.00	0.00	0.00	137,486.92	
TOTAL UNEXPENDED PLANT	\$ 565,187.97	\$ 457,732.13	\$ 1,444,147.90	\$ 1,002,362.19	\$ 1,090,300.88	\$ 0.00	\$ 72,017.24	\$ 2,337,101.97	

Other Additions:
a Interest Income
Total

a Interest Income	\$ 2,168.18
Total	\$ 2,168.18

Other Deductions:
b. Transfer to Retire of Indebt
d. Non Capital Expenditures
subtotal

b. Transfer to Retire of Indebt	\$ 2,807.11
d. Non Capital Expenditures	15,430.33
subtotal	\$ 18,237.44

g Private Donations
TSSBA Borrowing
Retirement of Indebtness
Interest Income
Total

g Private Donations	\$ 450,000.00
TSSBA Borrowing	525,347.57
Retirement of Indebtness	23,605.26
Interest Income	1,231.18
Total	\$ 1,000,184.01

h. Non Capital Expenditure
Total

h. Non Capital Expenditure	\$ 53,779.80
Total	\$ 72,017.24

COLUMBIA STATE COMMUNITY COLLEGE
UNAUDITED SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

SCHEDULE 7

	Additions			Deductions			Balance June 30, 2010
	Balance July 1, 2009	State Appropriations	Other	Buildings	Other Improvements	Other	
SPECIAL PROJECTS							
Campus furnishings	\$ 51,437.22	\$ -	\$ 526,587.66	\$ -	\$ -	\$ -	\$ 578,024.88
Campus restoration/repair	84,591.87		245,042.04			539.27	329,633.91
Capital projects administration		539.27					
Parking lot maintenance	785,084.98		62,741.21			58,937.99	788,898.20
Campus signage	186,713.32		681.18				187,394.50
Campus doors and frame	126,313.88		480.83				126,794.71
Information technology relocation	144,244.77		865.05	21,971.99		35,216.53	87,911.30
Interior painting	68,215.08		100,248.87				168,463.95
Accessibility Adaptations							
Stairwell repair	427,947.95		1,561.27		1,780.00		427,729.22
Natorium renovation	914,604.37	17,848.70	663,336.73	17,848.70		77,850.41	1,567,941.10
HVAC Upgrade		77,850.41		77,850.41			
Williamson County bookstore	62,483.85		230.01				62,723.86
Pyov Administration renovation	490,315.81		1,752.33				482,068.14
Williamson County Franklin renovation	282,300.00		776,029.91	8,708.20			1,049,821.71
Information technology furnishings	50,000.00		104,825.98			54,643.55	100,182.41
Electronic access	131,414.00		45,179.43	9,091.42			176,593.43
Library renovation redesign			775,000.00			38,970.27	765,908.58
Gym renovation refurbish			38,970.27		59,443.00	848,398.33	(241,288.61)
Energy savings performance contract			666,552.72				705,400.00
Campus instructional equipment			705,400.00				50,000.00
Identification system			50,000.00				54,500.00
Recycling			54,500.00				
Extraordinary maintenance	185,894.83		678.20				186,573.13
TOTAL SPECIAL PROJECTS	\$ 3,961,582.03	\$ 96,238.38	\$ 4,810,633.67	\$ 135,470.72	\$ 61,223.00	\$ 1,036,705.94	\$ 7,655,054.42
^a Interest income							
^b Costs not considered capital expenditures							
^c Interest income	\$ 3,336.73			\$ 248.87			\$ 255.86
Transfer from current funds	650,000.00			100,000.00			244,796.18
	\$ 653,336.73			\$ 100,248.87			\$ 245,042.04
^e Interest income							
Transfer from current funds							
	\$ 187.66			\$ 526,400.00			\$ 479.43
				\$ 526,587.66			\$ 44,700.00
							\$ 45,179.43

DYERSBURG STATE COMMUNITY COLLEGE
SCHEDULE OF CHANGES IN FUND BALANCES
 Unexpended Plant Funds
 For the Year Ended June 30, 2010

Schedule 7

Project Budget	Balances JUN 1, 2009	Additions				Deductions				Balances June 30, 2010
		Appropriations	Current Fund Transfers	Other (See Footnote)	Buildings	Equipment	Other Improvements	Other (See Footnote)		
New construction Titan County Center Addition JNC Student Serv - LPC Planning 450,000.00	24,291.05 420,000.00				41,941.85				24,291.05 890,058.85	
Total new construction	\$ 450,291.05				\$ 41,941.85				\$ 414,289.40	
Major renovations ADA modifications Campus Site Upgrades ARPA Bldg Meas Sys Modern 54,778.00 620,000.00 950,000.00	40,585.81 40,585.81	27,187.86 310,000.00 590,000.00				14,887.86 21,465.54 7,078.00	(2) (2) (2)		\$ 2,856.31 288,514.48 542,994.00	
Total major renovations	\$ 1,224,178.00	\$ 40,585.81	\$ 897,187.86			\$ 49,108.30			\$ 884,554.77	
Campus projects Extrordinary maintenance Campus Street Projects Campus Maintenance Projects Parking/entry projects 110,000.00 820,505.56 152,094.73 24,276.47		2,590,900.00		1,959.44 (1) 718.98 (1) 118.30 (1)		133,028.91 (2) 7,101.75 (2)			\$ 100,000.00 2,788,148.08 145,112.36 24,892.77	
Total campus projects		\$ 615,876.73	\$ 2,590,900.00	\$ 2,205.12		\$ 141,230.66			\$ 3,259,851.22	
Adjustment for unexpended state appropriations		(485,647.28)	(802,059.81)						(1,288,704.17)	
Total Unexpended Plant Funds		\$ 906,876.73	\$ 2,590,900.00	\$ 2,205.12	\$ 41,941.85	\$ 154,201.15			\$ 3,058,851.22	
Footnotes:										

- (1) LGIP limited earnings
- (2) Non-capital expenditures

JACKSON STATE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCE - UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

	Total		Balances		Additions	Deductions	Balances	
	Project Cost	June 30, 2009	June 30, 2009	June 30, 2010				
Special Projects								
ADA Improvements	\$ -	\$ -	-	-				\$ -
Projects Administrative Costs	-	-	1,394.14 (A)	1,394.14 (E)				-
State Projects	-	-	156,546.13 (B)	156,546.13 (F)				-
Local Projects	-	2,503,598.95	3,049,857.78 (C)	318,339.03 (G)				5,235,117.60
Extraordinary Maintenance	-	119,438.00	436.31 (D)					119,874.31
	-	-	-	-				-
	-	-	-	-				-
	-	-	-	-				-
TOTAL UNEXPENDED PLANT FUNDS	\$ -	\$ 2,623,036.85	\$ 3,208,234.36	\$ 476,279.30				\$ 5,354,991.91
(A) Capital Appropriations	1,394.14			Cost Allocation (E)				1,394.14
(B) Investment Income Capital Appropriations	156,546.13			(F) Expenditures Transfer to Local Projects				156,546.13
(C) Investment Income Capital gift	7,315.42			(G) Expenditures				318,339.03
Transfer from State Projects	3,042,542.36							
Transfer from Current Unrestricted	3,049,857.78							
(D) Investment Income	436.31							

NOTION STATE COMMUNITY COLLEGE
SCHEDULE OF CHANGES IN FUND BALANCES - EXPENDED PLANT FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule 7

STATE CAPITAL OUTLAY PROJECTS	Total Project Budget	Salaries June 30, 2009	ADDITIONS			DEDUCTIONS				Balances June 30, 2010
			State Appropriation	Other	Buildings	Other Improvement	Equipment	Other		
Approved SBC Projects										
Library Building (SBC 166/021-01-92)	\$ -	\$ 1,214,227.59	\$ 287,500.00	\$ -	\$ 828,725.33	\$ -	\$ -	\$ -	\$ 69,959.80 ⁽¹⁾	\$ 623,042.45
Rutherford County Teaching Site (SBC 166/021-01-03)										
Building Systems Equipment (SBC 166/021-02-99)		80,378.18	380,000.00							463,378.18
M/SOC-ADA Improvements (SBC 166/021-03-99)		52,794.74	12,500.00						19,293.81 ⁽¹⁾	46,031.13
Madisonville Career Expansion (SBC 166/021-01-03)					11,881.30				63,645.45 ⁽¹⁾	
Total State Capital Outlay Projects	\$ -	\$ 1,412,817.26	\$ 690,000.00	\$ -	\$ 840,606.63	\$ -	\$ -	\$ -	\$ 142,759.87	\$ 1,109,451.75
OTHER: Capital Project Admin. Cost	\$ -	\$ -	\$ 4,287.73	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,287.73 ⁽¹⁾	\$ -
TOTAL STATE CAPITAL OUTLAY	\$ -	\$ 1,412,817.26	\$ 694,287.73	\$ -	\$ 840,606.63	\$ -	\$ -	\$ -	\$ 147,046.60	\$ 1,109,451.75
Rutherford County Teaching Site (SBC 166/021-01-03)	\$ -	\$ 23,143.73	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,143.73
Master Plan Update (SBC 166/021-04-99)		300.00								50,300.00
Non-SBC Projects										
Campus Landscaping		22,820.80		200,050.96 ⁽²⁾						222,884.76
TOSHIA-Safety		6,301.02								6,301.02
Paving Project		159,578.12		200,883.19 ⁽²⁾						340,051.31
Repairs and Renovations:										
Classroom Bldg. & Offices		156,632.38		650,452.08 ⁽²⁾					391,185.54 ⁽²⁾	759,868.02
Synthesize Furnishings		941.47		7,483.92 ⁽²⁾						941.47
Surplus Sales		5,737.89		75,000.00 ⁽²⁾						80,737.89
Athletic Facilities Repairs										
Other Accounts:										
Extraordinary Maintenance		118,133.48		355.39 ⁽²⁾						118,488.87
Total Local Funded Projects	\$ -	\$ 483,658.59	\$ -	\$ 1,183,748.54	\$ -	\$ -	\$ -	\$ -	\$ 381,185.54	\$ 1,629,251.99

NOTLOW STATE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

Schedule 7

Total Project Budget	ADDITIONS			DEDUCTIONS				Balances June 30, 2010
	Balance June 30, 2009	State Appropriation	Other	Buildings	Other Improvement	Equipment	Other	
Total Unexpended Plant Funds Before Adjustments	\$ -	\$ 1,896,595.64	\$ 894,287.72	\$ 1,183,748.54	\$ 840,608.63	\$ -	\$ -	\$ 2,728,703.44
Adjustment for Unexpended State Appropriations	\$ -	\$ (4,12,817.25)	\$ 303,388.50	\$ -	\$ -	\$ -	\$ -	\$ (1,109,451.75)
Total Unexpended Plant Funds	\$ -	\$ 483,698.88	\$ 997,699.22	\$ 1,183,748.54	\$ 840,608.63	\$ -	\$ 185,232.14	\$ 1,629,251.88

- (1) Expended for non-capital items
- (2) Transfer from Unrestricted, \$200,000.00; Investment Income, \$63.96
- (3) Transfer from Unrestricted, \$200,000.00; Investment Income, \$388.19
- (4) Transfer from Unrestricted, \$650,000.00; Investment Income, \$452.08
- (5) Expended for non-capital items, \$4,487,500; Receivable Write-Off, \$53,698.04
- (6) Surplus Sales Income
- (7) Investment Income

NASHVILLE STATE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCE
 UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2010
 Unaudited

Schedule 6

FUNDS FOR UNEXPENDED PLANT FUNDS	Total Project Budget	Balance 7/1/09	ADDITIONS			DEDUCTIONS		Balance 6/30/10
			Investment Income	Transferred from Current Funds	Other (Footnotes)	Expended for Plant Funds	Other (Footnotes)	
Extraordinary Maintenance		\$ 322,491.95		\$ 6,405,567.19	\$ 1,342,541.62		\$ 2,988.39	\$ 322,491.95
Off Campus Development		5,745,870.38					27,763.36	13,491,090.80
UPS Panel		27,763.36						
Awning		1,706.00						
Greenhouse		3,703.18			31,466.54			33,172.54
Fire and Security Repair		11,004.56	\$ 300.23				3,703.18	8,486.76
Science Labs		1,554,737.89	484.76				2,818.03	1,955,526.75
Utilization Migration		43,342.02					15,347.71	27,994.31
Halon System Replacement		24,837.76					14,837.76	10,000.00
New Student Building Equipment		1,833,800.00						1,833,800.00
Campus Security Enhancement		50,000.00						50,000.00
Kesler Roof Repair		(2,988.39)			27,988.39			25,000.00
	\$ -	\$ 9,616,318.51	\$ 784.99	\$ 6,405,567.19	\$ 1,402,098.55 (*)	\$ -	\$ 1,427,204.13 (2)	\$ 15,997,563.71
Projects-in-Progress								
Nashville Tech-Cookeville Center	\$10,989,158.60	\$ 389,137.34						\$ 19,992.00
NSCC-ADA Improvements	101,137.00	20,046.37						319,145.34
Academic/Student Services	15,400,300.00	3,171,545.97			12,500.00			32,549.37
NSCC-Roof Repairs	830,000.00	4,121,701.69				\$ 136,166.24		2,277,478.24
NSCC-Renovations	14,130,000.00	10,138,516.49			700,000.00			371,892.96
Total Projects-in-Progress	\$41,430,575.60	\$ 14,091,950.86			\$ 712,500.00 (*)	\$ 9,057,488.19		1,232,136.75
								\$ 1,367,653.77 (2)
Other	\$ -	\$ -						\$ -
Capital Projects Administrative Costs	\$ -	\$ -						\$ 49,312.05 (2)
Adjustment for Unexpended								\$ -
TOTAL FUNDS FOR UNEXPENDED PLANT FUNDS	\$41,430,575.60	\$ (14,091,950.86)	\$ 784.99	\$ 6,405,567.19	\$ 10,961,308.20	\$ 9,193,654.43	\$ 712,500.00	\$ (4,233,142.66)
		\$ 9,616,318.51		\$ 6,405,567.19	\$ 12,725,216.80	\$ 9,193,654.43	\$ 3,559,609.95	\$ 15,997,563.71

(1) Other Additions
 Transfer from Science Labs \$ 1,342,541.62
 Transfer from UPS Panel & Greenhouse 31,466.54
 Transfer from Off Campus Development, Fire & Security, Science Labs & Halon Sys Repair 27,988.39
 New Capital Appropriations 712,500.00
 Capital Administrative Costs 49,312.05
 Total \$ 2,463,906.60

(2) Other Deductions
 Expended for Non-Capital \$ 26,107.88
 Transferred to Other Unexpended Projects 1,402,098.55
 Total \$ 1,427,204.13
 Appropriation Adjustment (Academic/Services BAP) \$ 699,700.00
 Expended for Non Capital 667,953.77
 Total \$ 1,367,653.77
 Capital Administrative Costs \$ 49,312.05

Northeast State Technical Community College
Unaudited Schedule of Changes in Fund Balances - Unexpended Plant Funds
For The Year Ended June 30, 2010

Schedule 6

	Additions			Deductions			Balance June 30, 2010	
	Balance June 30, 2009	Mandatory Transfers/Other	State Appropriations	Investment Income	Land	Buildings/ Equipment		Non-Capital Expenditures
NEW CONSTRUCTION:								
State Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Administrative Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MAJOR RENOVATIONS:								
State Capital Projects	\$ -	\$ -	\$ 29,939.10	\$ -	\$ -	\$ -	\$ 29,939.10	\$ -
Branch Office Building Upgrade	\$ -	\$ -	\$ 29,939.10	\$ -	\$ -	\$ -	\$ 29,939.10	\$ -
Total	\$ -	\$ -	\$ 29,939.10	\$ -	\$ -	\$ -	\$ 29,939.10	\$ -
SPECIAL PROJECTS:								
ADA Automatic Doors	\$ 7,095.76	\$ -	\$ -	\$ 23.56	\$ -	\$ -	\$ -	\$ 7,095.76
Alumni Renovation	\$ 256,051.00	\$ 1,000,000.00	\$ -	\$ 1,013.38	\$ -	\$ -	\$ -	\$ 1,267,099.00
Campus Security	\$ 111,189.00	\$ -	\$ -	\$ 308.53	\$ -	\$ -	\$ -	\$ 111,595.00
Campus Signage	\$ 177,772.64	\$ -	\$ -	\$ 528.45	\$ -	\$ -	\$ -	\$ 177,772.64
Childer Plant Modernization	\$ 63,590.00	\$ -	\$ -	\$ 194.71	\$ -	\$ -	\$ -	\$ 63,590.00
Energy Savings Performance Contract	\$ 8,167.97	\$ -	\$ -	\$ 24.28	\$ -	\$ -	\$ -	\$ 8,167.97
Exterior Maintenance	\$ 111,000.00	\$ -	\$ -	\$ 328.86	\$ -	\$ -	\$ -	\$ 111,000.00
Faculty Office Building Renovation	\$ 93.79	\$ -	\$ -	\$ 0.28	\$ -	\$ -	\$ -	\$ 93.79
Humanities Building Mobile Equipment	\$ 125,585.46	\$ -	\$ -	\$ 227.58	\$ -	\$ 69,248.22	\$ -	\$ 56,047.24
Humanities Building Computer	\$ 63,806.64	\$ -	\$ -	\$ 265.95	\$ -	\$ 42,098.72	\$ -	\$ 23,797.32
HVAC General Studies Building	\$ 66,160.88	\$ -	\$ -	\$ 194.67	\$ -	\$ -	\$ -	\$ 66,160.88
HVAC Upgrade	\$ 9,193.01	\$ -	\$ -	\$ 27.34	\$ -	\$ -	\$ -	\$ 9,193.01
Landscaping	\$ 448,087.30	\$ -	\$ -	\$ 1,331.99	\$ -	\$ -	\$ -	\$ 448,087.30
North Parking Lot Construction	\$ -	\$ 260,000.00	\$ -	\$ 768.70	\$ -	\$ -	\$ -	\$ 260,000.00
Off-campus Renovations	\$ 1,848,518.73	\$ 63,090.00	\$ -	\$ 1,999.72	\$ -	\$ 1,266,406.82	\$ -	\$ 532,889.55
Parking and Fixing Project	\$ 381,103.42	\$ 700,000.00	\$ -	\$ 1,349.28	\$ -	\$ -	\$ -	\$ 1,081,105.42
Regional Center for Automotive Prog	\$ 300,000.00	\$ -	\$ -	\$ 891.79	\$ -	\$ -	\$ -	\$ 300,000.00
Rakley Campus Project	\$ 72,863.95	\$ -	\$ -	\$ 216.42	\$ -	\$ -	\$ -	\$ 72,805.95
Renovate General Studies Buildings	\$ 241,159.00	\$ -	\$ -	\$ 716.87	\$ -	\$ -	\$ -	\$ 241,159.00
SBC Project Masterplan	\$ 86,600.00	\$ -	\$ -	\$ 257.43	\$ -	\$ -	\$ -	\$ 86,600.00
Student Services Renovation	\$ 1,972,260.00	\$ -	\$ -	\$ 584.38	\$ -	\$ -	\$ -	\$ 1,972,260.00
Technical Education Building	\$ 1,000,000.00	\$ -	\$ -	\$ 3,242.22	\$ -	\$ -	\$ -	\$ 1,000,000.00
Technical Education Equipment	\$ 1,622,348.83	\$ -	\$ -	\$ 4,822.62	\$ -	\$ -	\$ -	\$ 1,622,348.83
Waiving Title	\$ 53,040.50	\$ -	\$ -	\$ 197.87	\$ -	\$ -	\$ -	\$ 53,040.50
Total	\$ 7,296,429.88	\$ 2,023,090.00	\$ 29,939.10	\$ 19,553.78	\$ -	\$ 1,554,669.77	\$ 1,407,032.86	\$ 7,787,986.53
TOTAL UNEXPENDED PLANT FUNDS	\$ 7,296,429.88	\$ 2,023,090.00	\$ 29,939.10	\$ 19,553.78	\$ -	\$ 1,554,669.77	\$ 1,407,032.86	\$ 7,787,986.53

* Transfer of Investment Interest
** Prior Period Adjustment

MISSISSIPPI STATE COMMUNITY COLLEGE

Schedule of Changes in Fund Balances - Unexpended Plant Funds
For the Year Ended June 30, 2010

	Balance		Additions				Deductions		Balance	
	July 1, 2009	June 30, 2010	State Appropriations	Interest	Other	Capital Expenditures	Non-Capital Expenditures	Other	June 30, 2010	
MAJOR RENOVATIONS										
East College Outlay										
Appropriations	\$ 423,427.19	\$							\$ 423,427.19	
Building Dept. Donation	1,906,339.88						49,704.85		1,906,339.88	
Boys Building Renovation	4,747,000.00	141,790.00					38,072.53		4,888,717.47	
Boys Center Center	12,517,462.71								12,517,462.71	
Magnolia Center Improvements	1,913,282.71								1,913,282.71	
Magnolia Campus Systems	106,379,421.00	471,700.00					41,207.94		106,859,913.06	
Board Renovations	0.00	61,738.54					64,726.54		126,465.08	
Total Major Renovations	\$ 16,227,289.54	\$ 657,488.54	\$	\$	\$ 0.00	\$ 114,613,836.84	\$ 109,071.36	\$	\$ 16,742,517.27	
SPECIAL PROJECTS										
Sharon Street Center Expansion #2	96,628.43	\$			26,716.88	0.00		1,026.00	124,371.31	
Huron Valley Land Acq #2	0.00	0.00			1,026.00				1,026.00	
HV/Panola Buildings #2	0.00	0.00			370,000.00				370,000.00	
UPS - IT Center	396,673.94				26,716.88		214,841.94		638,232.76	
Boone County New Campus - Local Funds	802.15				9,716.72		471,136.72		1,283,535.59	
Boone County Equipment	0.00						13,644.53		13,644.53	
Coke Building Renovation	63,648.07				94.38		6,646.00		70,388.45	
Huron Valley New Buildings	61,222.68				513,442.00		(7,252.93)		566,411.75	
Huron Valley New Buildings	1,212.39				20,827.52				22,039.91	
Magnolia Center Systems	2,250.00								2,250.00	
Magnolia Center Improvements	38,969.70				103,096.89		53,432.80		195,499.39	
Magnolia Land Acquisition	0.00				164,915.50		5,447.67		170,363.17	
Enterprise Signs	64,471.60				19,282.50		180,711.50		164,465.60	
Division Street Land Acquisition	20,113.51				14.94				20,128.45	
Division Street Fire Alarm							21,743.50		21,743.50	
Huron Valley New Buildings					21,273.50		21,273.50		42,547.00	
APRA - Cohen Classroom					4,461.13		4,461.13		8,922.26	
APRA - Four one Classroom					16,620.80		7,491.19		24,111.99	
APRA - HV HVAC and Fire					13,218.20				13,218.20	
APRA - Magnolia Campus Renov										
APRA - Magnolia Lab Renov										
Secondary Maintenance										
Printing Lab Improvements										
Operational Supplies										
Total Special Projects	\$ 120,741.40	\$	\$ 437.40	\$	\$ 1,026.00	\$ 1,026.00	\$ 515,146.00	\$ 0.00	\$ 122,230.80	
Total Unexpended Plant Funds Before Adjustments	\$ 16,348,030.94	\$ 657,488.54	\$ 10,270.14	\$ 2,295,276.53	\$ 12,211,976.84	\$ 114,613,836.84	\$ 109,071.36	\$ 788,123.20	\$ 16,864,637.71	
ADJUSTMENTS										
Adjustment for Accruals on Deposit										
Transfer from Unexpended Plant Funds	\$ 1,621,328.04	\$	\$ 14,713,151.87	\$	\$	\$	\$	\$	\$ 16,334,479.91	
Transfer to Unexpended Plant Funds	\$ 2,842,943.66	\$	\$ 13,627,448.21	\$	\$ 10,270.14	\$	\$ 5,298,276.43	\$	\$ 13,571,333.44	
Total Unexpended Plant Funds	\$ 18,010,402.64	\$ 657,488.54	\$ 24,984,128.01	\$ 2,297,546.67	\$ 12,222,246.98	\$ 114,613,836.84	\$ 109,071.36	\$ 793,251.40	\$ 18,086,117.27	
ADJUSTMENTS										
Adjustment for Accruals on Deposit										
Transfer from Unexpended Plant Funds	\$ 1,621,328.04	\$	\$ 14,713,151.87	\$	\$	\$	\$	\$	\$ 16,334,479.91	
Transfer to Unexpended Plant Funds	\$ 2,842,943.66	\$	\$ 13,627,448.21	\$	\$ 10,270.14	\$	\$ 5,298,276.43	\$	\$ 13,571,333.44	
Total Unexpended Plant Funds	\$ 18,010,402.64	\$ 657,488.54	\$ 24,984,128.01	\$ 2,297,546.67	\$ 12,222,246.98	\$ 114,613,836.84	\$ 109,071.36	\$ 793,251.40	\$ 18,086,117.27	

RAINE STATE COMMUNITY COLLEGE
 SCHEDULE CHANGES IN FUND BALANCES
 UNEXPENDED PLANT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2010

SCHEDULE 6
 UNAUDITED

	Balances 07/01/09	State Appropriations	Additions		Deductions						Balances 6/30/10	
			Center Transfers	Other Additions	Land	Buildings	Equipment	Non-Capitalized Expenditures	Other Deductions			
STATE PROJECTS												
Adm. Improvements	\$ 32,394.18	\$ 18,750.00	\$ -	\$ -	\$ -	\$ -	\$ 24,390.00	\$ -	\$ 316,344.43	\$ -	\$ 28,794.18	
Epic Center Renovation/Replacement	892,625.66								23,571.45		579,291.23	
Agriculture Center Update	45,300.52			300.00					14,404.60		29,095.97	
Fire Alarm Upgrades		610,000.00							8,772.92		698,595.20	
Alcoford 1SR Capital Project Admin. Costs		8,772.92										
Adjustment for Unexpended State Appropriations	\$ 974,310.36	\$ 697,592.92	\$ -	\$ 300.00	\$ -	\$ -	\$ 24,390.00	\$ -	\$ 353,023.60	\$ -	\$ 1,224,759.69	
	(974,310.36)	(250,449.32)									(1,224,759.69)	
TOTAL STATE PROJECTS	\$ -	\$ 597,073.60	\$ -	\$ 300.00	\$ -	\$ -	\$ 24,390.00	\$ -	\$ 353,023.60	\$ -	\$ -	
LOCAL PROJECTS												
Oak Ridge Parking Expansion	\$ 47,458.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,458.75	
SBC 166027-02-04												
Manpan Co. Ctr. - LGSF Capital Project												
SBC 166027-02-05	76,654.67										76,654.67	
Cumberland Business Incubator												
SBC 166027-02-09												
Campus Improvements	100,690.90		1,025,000.00	454,282.22			56,758.28				307,626.94	
Non-Technical Equipment	4,272.57										1,949,214.77	
Technical Equipment	70,276.55										2,272.57	
Scott County Higher Education Center	1,541.27			220,383.97							70,516.63	
Scott County Higher Education Center											1,541.27	
Revised Local	34,759.70			12,000.00		12,000.00					94,759.70	
Collectors Improvements - Local	4,727.33										4,727.33	
Institutional Equipment	220,383.97										220,383.97	
ES&T Tennessee Agricultural Exposition												
Center Improvements	104,313.14		70,000.00								174,313.14	
Oak Ridge Campus - Local	22,219.32										22,219.32	
Oak Ridge Campus - Local Postpaid	5,461.50										5,461.50	
Clock Bell Tower - Local	6,147.72										6,147.72	
Humanities Building - Local	3,695.44										3,695.44	
Observatory - Local	18,625.44										18,625.44	
Curbs. Co. Higher Ed. Center - Local	19,601.53		100,000.00								119,601.53	
Curbs. Co. Higher Ed. Center - Local Postpaid	80,443.93										80,443.93	
Campus County Higher Ed. Center - Local	6,675.98			11.00							6,667.28	
Campus County Unreserved	3,960.73										3,960.73	
Public Land												
Emergency Maintenance	275,000.00		39,000.00								314,000.00	
TOTAL LOCAL PROJECTS	\$ 1,103,759.77	\$ -	\$ 1,734,000.00	\$ 688,897.49	\$ 12,000.00	\$ 56,758.28	\$ -	\$ 220,683.97	\$ 3,235,116.95	\$ -	\$ 3,235,116.95	
TOTAL UNEXPENDED PLANT FUNDS	\$ 4,109,729.77	\$ 897,073.60	\$ 1,734,000.00	\$ 897,427.49	\$ 12,000.00	\$ 56,758.28	\$ 24,390.00	\$ 353,023.60	\$ 3,235,116.95	\$ -	\$ 3,235,116.95	

a Reallocated to Agriculture Center. Unfunds project from Oak Ridge Local Real Property Transferor project
 b Local grant from Cumberland County Government - \$150,000; local grant from City of Crossville - \$250,000; in-kind contributions from Raine State Foundation for project architectural fees - \$84,282.22
 c Reallocated to Campus Improvements from Institutional Equipment
 d Contribution of land from private trust
 e Court ordered payments by person convicted of Oak Ridge Branch Campus vandalism
 f Interest Income

SOUTHWEST TENNESSEE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUND
 For the Year Ended June 30, 2010

SCHEDULE 6

UNEXPENDED PLANT FUNDS	Total Project Budget	Balance July 1, 2009	State Appropriations	Additions			Deductions		Balance June 30, 2010
				Intrafund Transfers	Other	Equipment	Intrafund Transfers	Other	
Bond Fund Projects									
Accessibility Adaptors	\$ 449,700.00		\$ 15,614.31				\$ 15,614.31	(b)	\$
Elevator Accessibility	1,213,000.00		289,856.17				289,856.17	(b)	
Fanis Complex Fire System	1,340,000.00		165,013.69				165,013.69	(c)	
Macon - Mechanical and Electrical	600,000.00		430,533.33				430,533.33	(c)	
Macon - New Academic Building	21,170,625.63		5,359,745.95				5,359,745.95	(c)	
Macon - New Library	15,555,000.00		176,014.18				176,014.18	(c)	
Mechanical Sys. Modder - ARRA	820,000.00				\$ 10,163.00			(a)	
Nursing & Biotech. Facility	9,837,890.37		32,864.71				32,864.71	(c)	
Replace Campus	19,500,000.00		1,548,531.57				1,548,531.57	(c)	
Roof Projects - ARRA	1,400,000.00				44,135.60		44,135.60	(a)	
Union Ave - Restroom Access	1,200,000.00		66,110.05				66,110.05	(b)	
Total Bond Fund Projects	\$ 73,086,216.00		\$ 8,084,283.96		\$ 54,298.60		\$ 8,138,582.56		
SBC Approved Project									
Culinary Lab Renovation		\$ 592,852.20					\$ 29,062.65	(b)	\$ 563,789.55
Energy Savings Contract		1,601.76		\$ 30,945.88			30,945.88	(c)	1,601.76
Gill Campus		815,000.00							815,000.00
Macon Entrance		363,908.94							62,122.31
Vertes Stalls Weight Room		292,360.34							292,360.34
Warehouse Renovation									
Total SBC Approved Project	\$ 2,065,723.24		\$ 30,945.88				\$ 361,795.16		\$ 1,734,873.96
Local Projects									
ADA Improvements		\$ 90,444.21							\$ 90,444.21
Building Maintenance/Replacement Projects		820,774.25		\$ 700,000.00			\$ 11,690.42	(b)	1,329,298.24
Campus Card		100,000.00							100,000.00
Campus Safety Macon-Union		58,059.59		100,000.00			19,270.00	(b)	138,789.59
Classroom Furniture Replacement		470,365.09		200,000.00			162,941.50	(b)	507,423.59
Extraordinary Maintenance		139,999.58		11,690.42			5,540.00	(b)	146,150.00
Facilities Remodel, Renovation				620,638.59					620,638.59
Gill Campus Renovation		529,583.98							529,583.98
Maxine Smith Project		267,293.73		14,025.00			14,025.00	(b)	317,297.71
Office Furniture Replacements		1,030,560.53		125,800.00			75,796.02	(b)	4,045,695.85
Parking Improvements/Additions		4,367,045.26		3,040,000.00			24,864.68	(b)	4,433,321.64
Property Acquisitions		1,328,114.94		1,500,000.00			1,433,723.62	(d)	2,211,190.62
Property Renovations		66,599.10		969,300.00			72,199.52	(b)	1,559,059.10
Renovation of E-Building		45,676.40		1,500,000.00			7,540.00	(b)	45,676.40
Risk Assessment									
Total Local Projects	\$ 9,314,516.66		\$ 8,781,454.01				\$ 25,715.42		\$ 16,074,569.52

SOUTHWEST TENNESSEE COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - UNEXPENDED PLANT FUND
 For the Year Ended June 30, 2010

SCHEDULE 6

	Total Project Budget	Balance July 1, 2009	Additions				Deductions		Balance June 30, 2010
			State Appropriations	Intrafund Transfers	Other	Equipment	Intrafund Transfers	Other	
TOTAL UNEXPENDED PLANT FUNDS	\$ 73,086,216.00	\$ 11,380,239.90	\$ 8,084,283.96	\$ 8,812,399.89	\$ 54,298.60 (a)		\$ 25,715.42	\$ 10,496,063.45	\$ 17,809,443.48

- (a) ARRA Funds \$ 54,298.60
- (b) Expended for Non-Capital Items \$ 1,264,391.92
- (c) Expended for Projects in Progress \$ 7,743,649.31
- (d) Capitalized to Buildings \$ 1,350,000.00
- Other Expenses 89,723.62
- \$ 1,433,723.62

VOLUNTEER STATE COMMUNITY COLLEGE
Schedule of Changes in Fund Balances - Unexpended Plant Funds
for the Year-10-Date June, 30 2010

SCHEDULE 7
UNAUDITED

State Capital Outlay Projects	Balance June 30, 2009	Additions			Deductions		Balance June 30, 2010
		Current Fund Transfers/State App.	Investment Income	Other	Construction In Progress	Equipment	
Fire Alarm System	187,248.48	35,698.18 e	-	-	223,636.66 e	-	0.00
ADA Renovation	-	64,875.07 e	-	-	760,455.97	-	64,875.07
Livingston Building	-	1,257,580.44 e	-	(171,246.83) e	-	-	1,726,333.61 e
Parking Sidewalk, Rear Entrance	-	520,000.00 e	-	-	-	-	520,000.00 e
Capital Projects Administration	-	9,064.79	-	-	-	-	9,064.79
Total State Projects Before Adjustments	187,248.48	1,387,138.48	0.00	(171,246.83) e	984,092.53	0.00	2,197,922.16
Adjustment for Unexpended State Appropriation	-	-	-	(137,160.28) e	-	-	(137,160.28) e
Total State Capital Outlay Projects	187,248.48	1,387,138.48	0.00	(34,086.55) e	984,092.53	0.00	2,060,761.88
Local Projects	1,100,990.83	-	3,957.63	1,942,439.17 ce	527,462.41	9,869.00	2,978,519.29
Building Improvements	560,747.20	0.00	1,389.15	(823.20) e	-	-	561,313.15
Softball Field	297,254.03	-	1,178.73	619,614.97 e	-	-	1,017,047.73
Livingston Building	-	-	287.92	(71,023.11) e	-	-	(70,735.19) e
Livingston Building VSCC Funds	505,320.60	-	1,795.25	-	-	-	507,115.85
Extraordinary Maintenance	160,259.94	-	609.72	197,224.72 e	-	-	358,094.38
Keying and Security Project	110,993.87	-	162.26	(100,539.37) e	196,330.15	-	307,947.91
Fire Alarm System	100,000.00	-	394.74	200,000.00 e	-	-	394,394.74
Technological Enhancements	21,533.59	-	76.39	-	-	-	21,610.98
Campus Signs	467,752.86	-	1,659.98	300,000.00 e	-	-	769,412.84
Classroom Renovation Project	305,425.76	-	1,083.41	-	-	-	306,509.17
ADA Renovation	-	-	1,606.63	217,931.72 ce	0.00	-	219,538.35
ADA Renovation	-	-	71.58	(529,982.81) de	-	-	(529,911.23) e
Environmental Remediation	-	-	11,000.00	\$50,000.00 e	-	-	61,000.00
Operation Enhancements	-	-	-	-	39,256.00	-	39,256.00
Parking Sidewalk, Rear Entrance	-	-	0.00	-	-	-	0.00
Tornado	-	-	70.19	350,954.53 e	-	-	351,024.72
Campus Lighting	-	-	29.51	147,538.15 e	-	-	147,567.66
Wood Campus Center Skylight	-	-	-	(367,826.96) e	-	-	(367,826.96) e
Candle and Ventr Roof & Skylight	-	-	-	147,538.15 e	-	-	147,538.15 e
Total Local Projects	3,650,379.68	0.00	13,634.99	3,446,275.14 e	763,148.56	9,869.00	7,066,256.55
Total Unexpended Plant Funds	\$ 3,650,379.68	\$ 1,720,054.52	\$ 13,634.99	\$ 3,412,188.59	\$ 1,747,241.09	\$ 9,869.00	\$ 7,066,256.55

- a Non Capital expenditures
- b Reallocate between local projects
- c Transfer from unrestricted
- d Reallocate between state outlay projects
- e Correction from previous year(s)

WALTERS STATE COMMUNITY COLLEGE
 Schedule of Changes in Fund Balances - Unexpended Plant Funds
 For the Year Ended June 30, 2010

SCHEDULE 3
 UNAUDITED

	Balance		Additions		Deductions		Balance			
	July 1, 2009	Transfers	State Appropriations	Surplus Disposal	Other	Capital Expenditures		Non-Capital Expenditures	Other	June 30, 2010
NEW CONSTRUCTION										
State Capital Outlay Appropriation	\$ 7,971,272.38	\$ -	\$ -	\$ -	\$ -	\$ 3,481,437.43	\$ 41,103.73	\$ -	\$ 4,396,731.23	
Adams Building	5,000.00	-	-	-	-	-	-	-	5,000.00	
Public Safety Facility - Fringe Barge	-	-	-	-	-	-	-	-	-	
Local Funds	18,125.83	-	-	-	-	-	-	-	18,125.83	
Bogo Center Home Base	\$ 7,994,398.22	\$ -	\$ -	\$ -	\$ -	\$ 3,481,437.43	\$ 41,103.73	\$ -	\$ 4,419,837.06	
TOTAL NEW CONSTRUCTION	\$ 7,994,398.22	\$ -	\$ -	\$ -	\$ -	\$ 3,481,437.43	\$ 41,103.73	\$ -	\$ 4,419,837.06	
MAJOR RENOVATIONS										
State Capital Outlay Appropriation	\$ 163,452.30	\$ -	\$ (163,452.30)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.00)	
OCEN Roof Replacement	800,204.68	-	-	-	-	7,393.00	37,203.00	211,022.52	549,387.16	
Public Safety & Medical Driving Course	54,612.96	-	(54,612.96)	-	-	-	-	-	0.00	
Humanities Safety Corridors	-	-	-	-	-	-	-	-	0.00	
Humanities Corridors (Phase II)	83,963.79	-	(83,963.79)	-	-	-	-	-	0.00	
Local Funds	-	-	-	-	-	-	-	-	-	
Greenville Safety & Code / Roofing	150,844.65	-	-	-	-	-	-	-	144,599.71	
Compt and Reconfiguration	674,996.65	-	-	-	-	82,000.00	4,677.55	-	713,163.29	
WSSC Safety Corridors/Demolition	-	-	-	-	4,342.88	-	-	-	4,342.88	
WSSC Demolition/Non SBC	-	-	-	-	-	-	-	-	-	
TOTAL MAJOR RENOVATIONS	\$ 1,991,153.04	\$ -	\$ (305,979.05)	\$ -	\$ 87,342.88	\$ 681,995.71	\$ 49,213.50	\$ 211,022.52	\$ 772,054.74	
SPECIAL PROJECTS										
State Capital Outlay Appropriation	\$ 24,121.78	\$ -	\$ 18,790.00	\$ -	\$ -	\$ -	\$ 155.00	\$ -	\$ 42,911.78	
ADA Assembly/Adaptation	-	-	313,452.30	-	-	-	81,998.06	-	231,514.22	
OCEN Clerical Report SBC	-	-	22,285.61	-	-	-	22,285.61	-	-	
Capital Project Admin. Costs	467,811.42	-	(130,000.00)	-	-	219,197.18	19,698.51	-	78,998.73	
TECH Bid/6 Roof Replacement	-	-	-	-	-	-	-	-	-	
Local Funds	55,412.07	-	-	-	-	-	-	55,412.07	-	
Gal & Chasid 7 Project	290,149.85	150,000.00	-	-	-	48,500.00	58,608.33	148,455.00	184,674.52	
Campus Improvements	-	62,000.00	-	-	-	-	118,211.24	-	38,248.76	
Chilhowe Co. Extension Renovation	-	709,000.00	-	-	-	159,502.65	313,246.05	-	230,192.30	
Communications Equipment	-	147,000.00	-	-	-	-	-	-	147,000.00	
Document Imaging System	-	-	-	-	-	-	-	-	-	
Diyeo Ch Spinkler Test/Alarms	-	-	-	-	57,000.00	-	-	-	57,000.00	
Reserve for Secondary Maintenance	100,000.00	-	-	-	-	-	-	-	100,000.00	
Greenville 204 North Main Property	-	-	-	-	390,434.99	-	-	-	282,955.62	
Master Plan Update	22,252.00	-	-	-	-	7,499.37	-	-	22,252.00	

WALTERS STATE COMMUNITY COLLEGE
 Schedule of Changes in Fund Balances - Unexpended Plant Funds
 For the Year Ended June 30, 2010

SCHEDULE B
 UNAUDITED

	Additions					Deductions			Balance June 30, 2010
	Balance July 1, 2009	Transfers	State Appropriations	Special Disposal	Other	Capital Expenditures	Non-Capital Expenditures	Other	
Senior Co Education Movable Equipment	349.38	-	-	-	-	-	-	-	349.38
Student ID System	-	100,000.00	-	-	-	-	-	-	100,000.00
Student Parking Lots	45,478.48	200,000.00	-	-	-	-	-	-	245,478.48
Surplus Disposal Proceeds	51,400.00	-	-	4,569.94	-	-	-	24,000.00	34,000.00
WISCO Five Aline Kiosk/Systems	119,480.24	-	-	-	-	29,977.46	-	89,342.88	34,000.00
TOTAL SPECIAL PROJECTS	\$ 1,178,828.95	\$ 1,265,000.00	\$ 204,487.91	\$ 4,569.94	\$ 438,889.99	\$ 464,786.66	\$ 614,103.82	\$ 317,209.95	\$ 1,795,616.16
TOTAL UNEXPENDED PLANT FUNDS BEFORE ADJUSTMENTS	\$ 11,065,102.21	\$ 1,265,000.00	\$ (101,441.14)	\$ 4,569.94	\$ 528,232.37	\$ 4,855,219.80	\$ 700,483.05	\$ 528,232.87	\$ 6,597,528.16
ADJUSTMENTS									
Amount on Deposit with State Treasurer Representing Unexpended State Appropriations	\$ (9,318,816.40)	-	\$ 4,009,002.88	-	-	-	-	-	\$ (5,309,813.52)
TOTAL UNEXPENDED PLANT FUNDS	\$ 1,746,285.81	\$ 1,265,000.00	\$ 3,007,561.54	\$ 4,569.94	\$ 528,232.87	\$ 4,855,219.80	\$ 700,483.05	\$ 528,232.87	\$ 1,887,994.44
ADJUSTMENTS									
1 Reallocation to WISCO Demolition	\$ 57,000.00	Edge Cr Sprinkler Installation							
2 Reallocation from Campus Improvements	\$ 91,458.00	Claberna Cr Education Renovation							
	\$ 148,458.00								
3 Reallocation to 224 N Main Property Purchase	\$ 55,412.07	Clab Channel 7 Project							
	\$ 24,000.00	Surplus Disposal Proceed							
	\$ 211,022.92	Public Safety Dept & Teaching Case							
	\$ 290,494.99								

a. Pursuant to TCA 49-7-113, exceptions exist for certain disabled and elderly students, as well as state service retirees. For audit courses, no fee is required for persons with a permanent, total disability, persons 60 years of age or older and domiciled in Tennessee, and persons who have retired from state service with 30 or more years of service, regardless of age. For credit, a fee of \$70 per semester or \$60 per trimester may be charged to persons with a permanent, total disability, and persons who will become 65 years of age or older during the academic semester in which they begin classes and who are domiciled in Tennessee. (Note: This fee includes ~~maintenance fees, student activity fees, technology access fees, and registration fees; it does not preclude an application fee, late fee, change-of-course fee, parking fee, special course fee, etc.~~). **all mandatory fees; it does not include course-specific fees such as all miscellaneous course fees, materials fees, application fee, online course fees and parking fees.** This only applies to enrollment on a space available basis, which permits registration no earlier than four (4) weeks prior to the first day of classes.

Management's Comment

We concur in part. A few of the noted exceptions actually predate the implementation of the current TennCare management information system in 2004. Several of the noted exceptions predate the current *Security Unit Procedure Guide for Provisioning (Granting Access)* and predate substantial documentation, system and process changes that the Bureau has implemented over the last several years. The Bureau has implemented these changes to enforce compliance with documented policy and procedure and to reduce the risk of human error. The current documentation, systems and process are designed to prevent the noted historical deficiencies and so we do not believe that these exceptions represent a significant vulnerability in current system access management activities. The remainder of the noted exceptions relate to actions that were executed for multiple users as part of broader authorized activity. These actions were executed consistent with established practice for such actions and did not result in any unintended or inappropriate access. Notwithstanding these comments, and consistent with our ongoing focus on quality improvement, the Bureau will initiate additional actions to address historical deficiencies and will implement additional system and process changes and controls in response to this finding. We will initiate and complete several major activities within the current fiscal year. Other changes will begin in the current fiscal year but will continue into the following year. The Bureau risk assessment did identify risks and mitigating controls related to system security administration. We will revise and expand the risk assessment to capture additional detail.

State Fiscal Stabilization Funds Cluster

Finding Number	PRIO-TBR-01
CFDA Number	84.394 and 84.397
Program Name	State Fiscal Stabilization Funds
Federal Agency	U.S. Department of Education
State Agency	Tennessee Board of Regents
Grant/Contract No.	S394A090043 and S397A090043
Finding Type	Significant Deficiency
Compliance Requirement	Equipment and Real Property Management, Procurement and Suspension and Debarment, and Reporting
Questioned Costs	\$0

Some institutions under the Tennessee Board of Regents' statutory responsibility failed to follow established policies and procedures for ARRA reports, purchases, and property, which increased the risk of errors, noncompliance, fraud, waste, and abuse

Finding

Under the American Recovery and Reinvestment Act of 2009 (ARRA), the state received \$321,458,899.85 in State Fiscal Stabilization Funds (SFSF). Of that total, the

Tennessee Board of Regents (TBR) expended \$89,609,509.82, with the 26 Tennessee Technology Centers (TTC) expending \$5,268,544.10 or 5.88% of the TBR total. According to Section 14004 (a) of the Act, the funds provided to public institutions for higher education through the SFSF program were to be used as follows:

...to mitigate the need to raise tuition and fees for in-State students, or for modernization, renovation, or repair of institution of higher education facilities that are primarily used for instruction, research, or student housing, including modernization, renovation, and repairs that are consistent with a recognized green building rating system.

Within the program's guidelines, TBR institutions were authorized to use the ARRA SFSF monies to purchase equipment, pay salaries and benefits, and to fund voluntary employee buyouts.

TBR has governance over all state universities, community colleges, and technology centers, other than the University of Tennessee system. According to the TBR website, the board has established standardized policies to ensure institutional accountability. These policies establish both standards for consistency among the institutions and defined parameters to promote institutional flexibility and discretion. All TBR institutions are required to follow TBR system policies and guidelines and incorporate them into their own campus policies and guidelines. TBR, through state statute, has the responsibility to ensure that the institutions under its governance follow established policies and procedures.

We reviewed the State Fiscal Stabilization Funds received at 36 of the 45 TBR institutions and noted that:

- Three TBR institutions did not follow established controls requiring monthly reviews of SFSF program reports and reconciliations between the SFSF expenditures recorded at the institution and the amounts reported to TBR.
- One TBR institution did not have the requisition and purchase order approved before purchasing goods with SFSF funds as required by institutional purchasing policies and procedures.
- Two TBR institutions did not tag equipment or include serial numbers and model numbers on the property listing when accounting for equipment purchased with SFSF funds as required by institutional property policies and procedures.

Specific details of these discrepancies are described below.

ARRA Reviews and Reconciliations Not Performed

As a result of our review of monthly ARRA reports and reconciliations, we found that management and staff of 3 of 36 TBR institutions reviewed (8%) had not performed reviews and reconciliations as required by their institutional policies. In their risk assessments, all three institutions listed supervisory review as an internal control that would be utilized to decrease the risk of inaccurate reporting. However, we noted that the control was not in place or was not operating effectively. We found the following:

- Based on our review of the payroll registers, monthly Tennessee Recovery Act Management (TRAM) Track reports, and the September 9, 2010, detailed expenditure listing, the Assistant Director at TTC Crossville failed to review and reconcile the above mentioned reports for four of the five months tested (80%). We also found that several amounts reported in the detailed expenditure listing were incorrect. The ARRA SFSF detailed expenditure listing reported total expenditures through June 30, 2010, as \$262,850.68. However, the drawdown report provided by the Department of Finance and Administration reported TTC Crossville's ARRA SFSF expenditures as \$249,895.76. We determined that part of the difference of \$12,954.92 was caused by a \$12,980.46 draw request made by the Assistant Director for the month of June. The Assistant Director later retracted the draw request without citing a specific reason for the retraction. While the net difference between the two reported amounts was only \$25.54, the fact that management failed to review and reconcile the reports increased the risk that errors, noncompliance, fraud, waste, and abuse could occur and not be detected promptly. Also, because TTC Crossville management and staff failed to perform the control reviews and reconciliations and were not aware of the errors until we told them, they reported the inaccurate information to their lead institution, Roane State Community College (RSCC), who subsequently reported inaccurately to TBR. In this instance, TTC Crossville staff failed to report all ARRA expenditures to RSCC and TBR. According to RSCC, TTC Crossville's Assistant Director was supposed to review the payroll registers and the Organization Detail Activity report on a monthly basis and perform the monthly reconciliations to ensure accurate records were maintained. In addition, according to RSCC's policy, TTC Crossville is required to notify RSCC of any errors noted so the errors can be corrected the following month. However, because the Assistant Director at TTC Crossville did not perform the reviews and reconciliations, he was not aware of the errors. Once we brought this to RSCC management's attention, the errors were corrected.
- Based on our review of a sample of TTC McMinnville's monthly Organization Detail Activity reports and our discussion with the Coordinator of Fiscal Services II, she failed to reconcile Banner records to QuickBooks for the month of April 2010. Normally, the Coordinator of Fiscal Services II reconciles QuickBooks to the Banner records and then reconciles the Banner records to the Organization Detail Activity reports. Although we noted no errors or discrepancies, management and staff's failure to reconcile this

information increases the risk of inaccurate financial records and financial reports.

- In our review of the monthly reports at Cleveland State Community College, we noted that the Vice President for Finance and Administration failed to review the December 2009 Summary, TRAM Track, and Organization Detail Activity reports to ensure the accuracy of the required reports. Although we noted no errors or discrepancies, without an adequate review, management cannot ensure that the information is properly reported to TBR.

All recipients of federal funds under ARRA are required by Section 1512 to report the amount of funds expended and the purposes of those expenditures. Failure to review and reconcile SFSF program reports increases the risk that expenditures will not be accurately reported in the institutions' financial reports or in the required ARRA Section 1512 reports. In addition, without a routine process of performing monthly reviews of reports and reconciliations, management has not mitigated the increased risks of errors, noncompliance, fraud, waste, and abuse of program expenditures.

Purchasing Policies and Procedures Not Followed

As a result of our review of ARRA-funded procurement transactions, we found that management and staff of 1 of 36 TBR institutions audited (2.78%) did not follow purchasing policies and procedures when purchasing goods. According to TTC Harriman's purchasing policies and procedures, the Director is required to approve a purchase requisition, and then the Coordinator of Fiscal Services prepares a purchase order to be approved by the Director. Once the requisition and purchase order have been approved, then staff is authorized to purchase the item. Based on our review of the supporting documents, we found that for one of 13 items tested at TTC Harriman (8%), staff did not complete the requisition and purchase order until two days after the vendor invoice was received. Therefore, TTC Harriman staff purchased items using federal ARRA SFSF funds without proper approval. Subsequently, approval for the purchase was obtained. The purchase was for an allowable item and totaled \$1,060.

In addition, TTC Harriman did not address the risk of management's and staff's failure to follow established purchasing policies and procedures in its ARRA-specific risk assessment. It is management's responsibility to adequately evaluate its institution to ensure that risks material to the program have been identified and controls have been implemented and are functioning effectively. Failure to follow the purchasing policies and procedures increases the risk of unallowable and unnecessary purchases including the increased risks of errors, noncompliance, fraud, waste, and abuse. Management's approval process is an integral part of internal control over purchasing which decreases the risks identified.

Property Policies and Procedures Not Followed

As a result of our review of ARRA-funded equipment items purchased, we found that management and staff at 2 of 36 TBR institutions audited (6%) did not follow the property policies and procedures when purchasing equipment. The specific instances are discussed below.

- The Director of Procurement and Business Services at Tennessee State University (TSU) failed to tag two of eight pieces of equipment that we examined (25%). The university received the equipment between June 7 and June 11, 2010; however, at the time of our examination on October 21, 2010, the equipment had not been tagged. According to TSU's *Property Management Manual*, each department is responsible for ensuring that all equipment and property costing over \$1,000 is accounted for and properly tagged. The policy also states that it is Central Receiving's responsibility to affix the tag numbers to the equipment prior to delivering the items. The tags were stapled to the paperwork for the items, and the Central Shipping and Receiving Supervisor affixed the correct tags to the items prior to our departure.
- The Director at TTC Harriman failed to record the serial number and/or model number in the center's property records for two of four ARRA equipment items (50%). Office of Management and Budget Circular A-110, *Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations* states, "The recipient's property management standards for equipment acquired with Federal funds and federally-owned equipment shall include . . . (ii) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number." Once we brought these deficiencies to management's attention, the Business Office Secretary added the information to the property records.

Failure to tag equipment upon receipt and to maintain complete equipment records impedes an institution's ability to properly account for its assets, which increases the risk of asset misappropriation or loss.

In addition, TSU did not include the risk of management's and staff's failure to follow established property policies and procedures in its ARRA-specific risk assessment. As noted above, it is management's responsibility to adequately evaluate its institution to ensure that risks material to the program have been identified and controls have been implemented and are functioning effectively to mitigate the potential risks of errors, noncompliance, fraud, waste, and abuse.

Because TBR has been entrusted with the responsibility of governing and managing 45 state educational institutions, proper oversight is critical to achieving reasonable assurance that the institutions follow TBR's established policies and procedures as well as their own institutional policies and procedures. Without appropriate TBR oversight and institutional managements' commitment to follow

established internal control processes, which are designed to ensure accurate reporting of transactions and proper expenditure of federal funds, institutional management cannot effectively mitigate the risks of errors, noncompliance, fraud, waste, and abuse.

Recommendation

TBR should continue to be vigilant in its oversight role to help ensure that the 45 state educational institutions under its governance and management follow established policies and procedures to decrease the risks of errors, noncompliance, fraud, waste, and abuse. As part of its oversight function:

- TBR should remind the Assistant Director at TTC Crossville, the Coordinator of Fiscal Services II at TTC McMinnville, and the Vice President for Finance and Administration at Cleveland State Community College of the importance of following the institutions' policies and procedures by consistently performing monthly reviews and reconciliations.
- TBR should communicate to the Director at TTC Harriman the importance of ensuring that established purchasing policies and procedures are consistently followed by first completing a requisition, having the requisition approved by the authorized individual, and finally generating a purchase order before a purchase is made. TBR should also ensure that the appropriate personnel at TTC Harriman update the institution's ARRA-specific risk assessment to address the risks associated with not following purchasing policies and procedures and ensure that there are controls in place to mitigate the risks noted in the risk assessment.
- TBR should remind the Director of Procurement and Business Services at TSU and the Director at TTC Harriman of the importance of consistently following property/equipment policies and procedures and ensuring that all new equipment is tagged when received and property records contain all pertinent information. TBR should also ensure that the appropriate personnel at TSU update the institution's ARRA-specific risk assessment to address the risks associated with not following property policies and procedures and ensure that there are controls in place to mitigate the risks noted in the risk assessment.

Management's Comments

Tennessee Board of Regents

We concur that TBR should continue to be vigilant in fulfilling its oversight role. Examples of current oversight activities include: conducting quarterly meetings of institutional leadership staff in various functional areas to review policies and procedures

and the results of internal and external audits; the review and approval of certain purchasing, personnel, and other transactions by TBR staff to ensure compliance with state law and TBR policies; quarterly discussion of significant operational issues with institutional Presidents and Directors; and a system wide internal audit effort. As part of these activities, TBR will emphasize to all institutional leadership: (1) the importance of following policies and procedures regarding monthly reviews and reconciliations; (2) the importance of ensuring that purchasing policies and procedures are consistently followed; (3) the importance of consistently following property/equipment policies and procedures; and (4) the importance of performing risk assessments, including the design and testing of controls to mitigate against the potential for errors, noncompliance, fraud, waste, and abuse.

Department of Finance and Administration

We concur with state audit's recommendation and the management comments from the Tennessee Board of Regents.

Finding Number	PP10-DOC-01
CFDA Number	84.394 and 84.397
Program Name	State Fiscal Stabilization Funds
Federal Agency	U.S. Department of Education
State Agency	Tennessee Department of Correction
Grant/Contract No.	S394A090043 and S397A090043
Finding Type	Significant Deficiency
Compliance Requirement	Other
Questioned Costs	\$0

Management at the Department of Correction failed to develop a program-specific risk assessment process for ARRA funds, thus increasing the risk of noncompliance

Finding

The Director of Budget and Fiscal Services at the Department of Correction failed to comply with Tennessee Recovery Act Management (TRAM) directives by not ensuring that an American Recovery and Reinvestment Act of 2009 (ARRA) risk assessment process was developed for the State Fiscal Stabilization Fund (SFSF) monies the department received. An ARRA-specific risk assessment process was required by TRAM Directive 8, which states:

All recipients and subrecipients of ARRA funds are required to adopt a risk assessment process for all ARRA programs to include risk identification, risk evaluation and mitigation plans. The risk assessment must also include items that address meeting program requirements and objectives.