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BARSTOW COMMUNITY COLLEGE DISTRICT

AUDIT REPORT

JUNE 30, 2024

BARSTOW COMMUNITY COLLEGE DISTRICT
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Barstow Community College District
Barstow, California

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, fiduciary activities, and the aggregate remaining fund information of Barstow Community College District (the "District") as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



San Diego, California
December 30, 2024

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

The purpose of this annual report is to provide readers with information about the activities, programs, and financial condition of Barstow Community College District (the "District") as of June 30, 2024. The report consists of three basic financial statements: the Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows and provides information about the District as a whole. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

Barstow Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board Statements (GASB) No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. The statements allow for the presentation of financial activity and results of operations which focuses on the District as a whole. The government-wide financial statements present the overall results of operations whereby all of the District's activities are consolidated into one total versus the traditional presentation by fund type. The focus of the Statement of Net Position is designed to be similar to the bottom-line results of the District. This statement combines and consolidates current financial resources with capital assets and long-term liabilities. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities with revenue and expenses categorized as operating and non-operating, and expenses are reported by natural classification. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

The California Community College Chancellor's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial statement reporting purposes..

Financial Highlights of the Past Year

- The District's primary funding source is from apportionment received from the State of California. The primary basis of this apportionment is the calculation of Full-Time Equivalent Students (FTES). During the 2023-24 fiscal year, total reported resident FTES were 2,870.01 as compared to 2,591.88 in the 2022-23 fiscal year.
- The Statement of Revenues, Expenses, and Changes in Net Position reflects an increase in net position of \$9,223,437. Operating revenues decreased by \$4,090,901, while operating expenses increased by \$101,004. Net non-operating revenues increased by \$7,007,725.
- During the 2023-24 fiscal year, the District provided approximately \$15.8 million in Federal and State financial aid to students attending the college.

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private sector organizations.

The difference between total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources is one indicator of the current financial condition of the District; the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less accumulated depreciation.

The Net Position is divided into three major categories. The first category, net investment in capital assets, provides the equity amount in property, plant and equipment owned by the District. The second category is expendable restricted net assets. These net assets are available for expenditure by the District, but must be spent for purposes as determined by external entities, legislation, and/or donors that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted and is available to the District for any lawful purpose of the District. As illustrated in the following table, the June 30, 2024 fiscal year ended with an increase in total net position of \$9,223,437 to a grand total of \$75,391,074.

	2024	2023	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	\$ 60,885,156	\$ 56,614,776	\$ 4,270,380
Non-current assets	53,395,354	52,715,700	679,654
Deferred outflows of resources	8,842,420	8,470,882	371,538
Total Assets and Deferred Outflows of Resources	123,122,930	117,801,358	5,321,572
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	19,875,497	25,531,657	(5,656,160)
Non-current liabilities	23,206,659	22,598,538	608,121
Deferred inflows of resources	4,649,700	3,503,526	1,146,174
Total Liabilities and Deferred Inflows of Resources	47,731,856	51,633,721	(3,901,865)
NET POSITION			
Net investment in capital assets	49,838,920	50,722,539	(883,619)
Restricted	30,243,912	19,275,267	10,968,645
Unrestricted	(4,691,758)	(3,830,169)	(861,589)
Total Net Position	\$ 75,391,074	\$ 66,167,637	\$ 9,223,437

This schedule has been prepared from the District's Statement of Net Position, which is presented on an accrual basis of accounting whereby assets are capitalized and depreciated.

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE, continued

Change in Net Position

The change in total net position presented on the Statement of Net Position is based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of this statement is to present the operating and non-operating revenues earned (whether received or not) by the District, the operating and non-operating expenses incurred (whether paid or not) by the District, and any other revenues, expenses, gains and/or losses earned or incurred by the District.

Operating activities are those in which a direct payment or exchange is made for the receipt of specified goods or services. As an example, tuition fees paid by the student are considered an exchange for instructional services. This activity is considered an operating activity. The receipt of State apportionments and property taxes do not include this exchange relationship between payment and receipt of goods or services. These revenues and related expenses are classified as non-operating activities.

A summary of the Statement of Revenues, Expenses, and Changes in Net Position, for the years ended June 30, 2024 and June 30, 2023, is shown below.

	2024	2023	Change
OPERATING REVENUES			
Tuition and fees, net	\$ 689,638	\$ 953,060	\$ (263,422)
Grants and contracts	9,194,438	13,021,917	(3,827,479)
Total Operating Revenues	9,884,076	13,974,977	(4,090,901)
OPERATING EXPENSES			
Salaries and employee benefits	25,133,653	23,211,033	1,922,620
Supplies, materials, and other operating expenses	8,070,394	10,873,751	(2,803,357)
Financial aid	15,823,426	14,877,945	945,481
Depreciation and amortization	1,904,262	1,868,002	36,260
Total Operating Expenses	50,931,735	50,830,731	101,004
Operating Loss	(41,047,659)	(36,855,754)	(4,191,905)
NON-OPERATING REVENUES/(EXPENSES)			
State apportionments, non-capital	27,274,900	24,672,948	2,601,952
Local property taxes, non-capital	4,719,885	4,061,066	658,819
State taxes and other revenues, non-capital	1,761,101	848,009	913,092
Federal grants and contracts	13,675,251	13,248,760	426,491
Investment income	2,448,308	435,673	2,012,635
Interest expense, capital	-	(2,472)	2,472
Other non-operating revenues	600,234	207,970	392,264
Total Non-Operating Revenues/(Expenses)	50,479,679	43,471,954	7,007,725
OTHER REVENUES/(EXPENSES)			
State apportionments, capital	(21,488)	59,004	(80,492)
Gain/(Loss) on disposal of asset	1,755	7,032	(5,277)
Change in Net Position	9,412,287	6,682,236	2,730,051
NET POSITION -- BEGINNING OF YEAR	66,167,637	59,530,695	6,636,942
PRIOR PERIOD ADJUSTMENTS (SEE NOTE 13)	(188,850)	(45,294)	(143,556)
NET POSITION -- END OF YEAR	\$ 75,391,074	\$ 66,167,637	\$ 9,223,437

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE, continued

Change in Net Position, continued

Grant and contract revenues relate to student financial aid, as well as specific Federal and State grants received for programs serving the students of the District. These grant and program revenues are restricted as to the allowable expenses related to the programs.

The District's primary revenue sources are local property taxes, student enrollment fees, and State apportionments, non-capital, which, as a whole, increased in fiscal year 2023-24.

In accordance with requirements set forth by the California Community Colleges Chancellor's Office, the District reports operating expenses by object code. Operating expenses by functional classification are as follows:

Functional Classifications	Salaries and Employee Benefits	Supplies, Materials, and Other Operating Expenses	Financial Aid	Depreciation and Amortization	Total
Instruction	\$ 10,534,533	\$ 495,221	\$ -	\$ -	\$ 11,029,754
Academic Support	2,448,650	737,530	-	-	3,186,180
Student Services	5,044,134	858,591	-	-	5,902,725
Operation and Maintenance of Plant	653,043	819,107	-	-	1,472,150
Institutional Support	3,014,666	2,975,992	-	-	5,990,658
Community Services and Economic Development	1,411,493	5,820	-	-	1,417,313
Auxiliary Operations	1,282,283	309,389	-	-	1,591,672
Other Outgo	744,851	795,031	-	-	1,539,882
Student Aid	-	1,073,713	15,823,426	-	16,897,139
Depreciation	-	-	-	1,904,262	1,904,262
	<u>\$ 25,133,653</u>	<u>\$ 8,070,394</u>	<u>\$ 15,823,426</u>	<u>\$ 1,904,262</u>	<u>\$ 50,931,735</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE, continued

Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. The statement also helps user assess the District's ability to generate positive cash flows, meet obligations as they come due, and the need for external financing.

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used in the operating activities of the District. The second part details cash received for non-operating, non-investing, and non-capital financing purposes. The third part shows cash flows from capital and related financing activities. This part deals with the cash used for the acquisition and construction of capital and related items. The fourth part provides information from investing activities and the amount of interest received. The last section reconciles the net cash used in operating activities to the operating loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. The net cash used by the District for operating activities, for the year ended June 30, 2024, was \$41,722,958.

The Statement of Cash Flows for the year ended June 30, 2024 and 2023, is summarized below:

CASH PROVIDED BY/(USED IN)	2024	2023	Change
Operating activities	\$ (41,722,958)	\$ (23,764,273)	\$ (17,958,685)
Non-capital financing activities	48,387,612	40,342,957	8,044,655
Capital and related financing activities	(873,844)	(3,011,693)	2,137,849
Investing activities	2,448,308	435,673	2,012,635
Net Increase/(Decrease) in Cash and Cash Equivalents	8,239,118	14,002,664	(5,763,546)
CASH -- BEGINNING OF YEAR	48,013,620	34,010,956	14,002,664
CASH -- END OF YEAR	\$ 56,252,738	\$ 48,013,620	8,239,118

The District's Fiduciary Responsibility

The District's fiduciary activities are reported in separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities are excluded from the District's other financial statements because we cannot use these assets to finance operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE, continued

Capital and Right-of-Use Assets

A comparison of capital and right-of-use assets, net of depreciation and amortization, is summarized below:

	2024	2023	Change
Capital assets not being depreciated	\$ 1,179,773	\$ 6,975,471	\$ (5,795,698)
Capital Assets being depreciated	75,153,942	68,595,615	6,558,327
Accumulated depreciation	(26,715,565)	(24,892,298)	(1,823,267)
Right-of-use assets	273,874	215,452	58,422
Accumulated amortization	(53,104)	(171,701)	118,597
Total Capital and Right-of-Use Assets, net	\$ 49,838,920	\$ 50,722,539	\$ (883,619)

Note 6 in the financial statements provides additional information on capital and right-of-use assets.

Long-Term Liabilities

At June 30, 2024, the District had \$23,258,211 in long-term liabilities. A comparison of long-term liabilities is summarized below:

	2024	2023	Change
Lease liability	\$ 221,927	\$ 55,395	\$ 166,532
Compensated absences	625,914	669,657	(43,743)
Net OPEB liability - MPP Program	-	60,969	(60,969)
Net pension liability	22,410,370	21,858,006	552,364
Total Long-term Liabilities	\$ 23,258,211	\$ 22,644,027	\$ 614,184
Amounts due within one year	\$ 51,552	\$ 45,489	\$ 6,063

Note 7 and Note 10 in the financial statements provide additional information on long-term liabilities.

BUDGETARY HIGHLIGHTS

Cost of Living Allowance (COLA) of 8.22% has being included in the revenue estimates. Due to COVID-19, the California Community College Chancellor's Office allowed for districts to opt into protection under COVID-19 Emergency Conditions Protections that were extended into fiscal year 2023-24. However, Barstow Community College District opted out of the protection for 2023-24 because enrollments grew beyond the pre-pandemic levels. A 0% revenue deficit is included in the state apportionment figures. Due to the influx of funding received through the student-centered funding formula, a deficit projection was not necessary.

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

ECONOMIC FACTORS THAT MAY AFFECT THE FUTURE

If a District was opted-in to an optional Title 5 COVID-19 emergency conditions allowance in 2021-22 and/or 2022-23, the emergency conditions allowance credit FTES are used as data point(s) in calculating the credit FTES three-year average. Growth has been applied to districts that reported an increase in FTES value above the prior year base value (2022-23 Applied #3) that exceeds the available restoration balance. Statewide growth exceeded the statewide growth budget at 2023-24 P1. Growth applied beyond districts’ growth targets was proportionally adjusted to not exceed the budget. Growth will be reassessed at 2023-24 P2 with updated FTES data.

The 2023-24 P1 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) TCR calculated by formula in 2023-24, (B) TCR stability protection (2022-23 calculated TCR plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). At 2023-24 P1, the statewide SCFF Max TCR is \$9.54 billion. The revenue deficit at 2023-24 P1 for non-basic aid districts increased to 3.55% compared to 2.29% at 2023-24 Advance. Factors contributing to the increased deficit are an increase in statewide Max TCR and a net decrease in estimated local property tax revenues statewide at 2023-24 P1. The revenue deficit may change at each apportionment cycle depending on updated data and revenues.¹ Barstow’s highest revenue is (A) TCR calculated by formula in 2023-2024.

SCFF Component	2023-24 P1 Amount (Statewide) (In Millions)
FTES Allocation	\$5,861
Basic Allocation	\$986
Supplemental Allocation	\$1,434
Student Success Allocation	\$1,029
SCFF Calculated Revenue (TCR A)	\$9,310
TCR Stability (TCR B)	\$9,387
Hold Harmless Revenue (TCR C)	\$8,697
2023-24 TCR (Max of A, B, or C)	\$9,545
Stability Protection Adjustment	\$122
Hold Harmless Protection Adjustment	\$113
Property Tax & ERAF	\$4,376
Less Property Tax Excess	(\$455)
Student Enrollment Fees	\$405
Education Protection Account (EPA)	\$1,716
State General Fund Allocation	\$3,194
Deficit Factor	3.55%
Surplus (Deficit)	(\$310)

**BARSTOW COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

ECONOMIC FACTORS THAT MAY AFFECT THE FUTURE, continued

Revenue Budget Assumptions

Cost of Living Allowance (COLA): The Governor is proposing a COLA increase of 1.07%. These figures are included in the revenue assumptions.

Growth: There is no growth assumed in 24-25 above 23-24. The 23-24 growth estimate includes what was funded at the P1, which is \$403,140. The District is only authorized to grow \$15,586. There is no guarantee in growth funding above the authorized amount. The unfunded growth estimate as of P2 is \$1,029,255. The P2 figures will have better projections on growth funding and will be used in the adopted budget. Nothing is guaranteed until recalculation that occurs in February after the fiscal year is over.

Full Time Equivalent Students (FTES): The District had experienced a decline in FTES due to the pandemic; however, made a full recovery and is growing. Prior to the pandemic, the District certified 2,555.98 FTES in 2019-2020. The District's 2023-2024 projected FTES as of the second period principal apportionment (P2) is around 2,733.28. The District did not opt into the Emergency Conditions Allowance (ECA) in 2022-2023 because FTES exceeded pre-pandemic levels.

Revenue Deficit: The adopted budget assumes a deficit factor of 1%.

Expenditure Budget Assumptions

Step & Column Increases: The salary schedules of the District include step increases for faculty, classified and management. The District has assumed a salary escalator of 3% for faculty, 4% for the classified schedule, and 5% for management.

Pension increases: CalSTRS is expected to remain at 19.10% in 2024-2025. CalPERS is expected to increase from 26.68% in 2023-2024 to 27.05% in 2024-2025. These costs have been included in the budget.

Other Operating Expenses increase: Utilities has a 3% escalator included in the budget.

Capital Outlay: The District has not budgeted state scheduled maintenance funding. Scheduled maintenance funding is being funded through a transfer from the unrestricted general fund.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the District at: Barstow Community College District, 2700 Barstow Road, Barstow, California 92311.

FINANCIAL SECTION

BARSTOW COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS

Current Assets:

Cash and investments	\$ 56,252,738
Accounts receivable, net	4,335,532
Prepaid expenditures and other assets	296,886
Total Current Assets	<u>60,885,156</u>

Non-current Assets:

Net OPEB asset	3,556,434
Right-of-use assets, net	220,770
Capital assets, net	49,618,150
Total Non-current Assets	<u>53,395,354</u>

TOTAL ASSETS

114,280,510

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to OPEB	853,120
Deferred outflows related to pensions	7,989,300

TOTAL DEFERRED OUTFLOWS OF RESOURCES

8,842,420

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

\$ 123,122,930

LIABILITIES

Current Liabilities:

Accounts payable and accrued expenses	\$ 4,366,222
Unearned revenue	15,457,723
Long-term liabilities, current portion	51,552
Total Current Liabilities	<u>19,875,497</u>

Non-current Liabilities:

Net pension liability	22,410,370
Long-term liabilities, non-current portion	796,289
Total Non-current Liabilities	<u>23,206,659</u>

TOTAL LIABILITIES

43,082,156

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to OPEB	2,042,655
Deferred inflows related to pensions	2,607,045

TOTAL DEFERRED INFLOWS OF RESOURCES

4,649,700

NET POSITION

Net investment in capital assets	49,838,920
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Restricted for:

Capital projects	29,943,653
Educational programs	117,377
Other special purpose	182,882

Unrestricted	(4,691,758)
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TOTAL NET POSITION

75,391,074

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

\$ 123,122,930

**BARSTOW COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

OPERATING REVENUES	
Tuition and fees, gross	\$ 3,221,570
Less: Scholarship discounts and allowances	(2,531,932)
Tuition and fees, net	<u>689,638</u>
Grants and contracts, non-capital:	
Federal	457,582
State	8,508,719
Local	<u>228,137</u>
TOTAL OPERATING REVENUES	<u>9,884,076</u>
OPERATING EXPENSES	
Salaries	17,692,406
Employee benefits	7,441,247
Supplies, materials, and other operating expenses	8,070,394
Financial aid	15,823,426
Depreciation and amortization	<u>1,904,262</u>
TOTAL OPERATING EXPENSES	<u>50,931,735</u>
OPERATING LOSS	<u>(41,047,659)</u>
NON-OPERATING REVENUES/(EXPENSES)	
State apportionments, non-capital	27,274,900
Local property taxes, non-capital	4,719,885
State taxes and other revenues, non-capital	1,761,101
Federal and State financial aid grants	13,675,251
Interest and investment income/(loss)	2,448,308
Other non-operating revenues	<u>600,234</u>
TOTAL NON-OPERATING REVENUES/(EXPENSES)	<u>50,479,679</u>
INCOME/(LOSS) BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	<u>9,432,020</u>
OTHER REVENUES, EXPENSES, GAINS AND LOSSES	
State apportionments, capital	(21,488)
Gain/(Loss) on disposal of capital assets	<u>1,755</u>
TOTAL OTHER REVENUES, EXPENSES, GAINS AND LOSSES	<u>(19,733)</u>
CHANGE IN NET POSITION	9,412,287
NET POSITION -- BEGINNING OF YEAR	66,167,637
PRIOR PERIOD ADJUSTMENTS (SEE NOTE 13)	(188,850)
NET POSITION -- END OF YEAR	<u>\$ 75,391,074</u>

See accompanying notes to financial statements.

**BARSTOW COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	\$ 689,638
Grants and contracts	14,453,999
Payments to or on behalf of employees	(25,474,638)
Payments to vendors for supplies and services	(15,568,531)
Payments to students	(15,823,426)
Net Cash Provided by/(Used in) Operating Activities	<u>(41,722,958)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State apportionments	27,631,141
Local property taxes	4,719,885
State taxes and other revenues	1,761,101
Federal and State financial aid grants	13,675,251
Other non-operating revenues	600,234
Net Cash Provided by/(Used in) Non-capital Financing Activities	<u>48,387,612</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Net purchase and sale of capital assets	(766,584)
State revenue, capital projects	(21,488)
Principal paid on capital debt	(85,772)
Net Cash Provided by/(Used in) Capital and Related Financing Activities	<u>(873,844)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income/(expense)	<u>2,448,308</u>
Net Cash Provided by/(Used in) Investing Activities	<u>2,448,308</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	8,239,118
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>48,013,620</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 56,252,738</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

**RECONCILIATION OF OPERATING LOSS TO NET CASH
USED IN OPERATING ACTIVITIES**

Operating loss	\$ (41,047,659)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation and amortization	1,904,262
Changes in Assets and Liabilities:	
Accounts receivable, net	3,586,497
Prepaid expenditures and other assets	(162,850)
Deferred outflows related to pensions	(484,011)
Deferred outflows related to OPEB	112,473
Net OPEB asset	(1,563,273)
Accounts payable and accrued expenses	(7,335,287)
Unearned revenue	1,673,064
Compensated absences	(43,743)
Net OPEB liability	(60,969)
Net pension liability	552,364
Deferred inflows related to pensions	(209,278)
Deferred inflows related to OPEB	1,355,452
Total Adjustments	<u>(675,299)</u>
Net Cash Flows From Operating Activities	<u>\$ (41,722,958)</u>

COMPONENTS OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents	\$ 56,252,738
Total Cash and Cash Equivalents	<u>\$ 56,252,738</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
 FIDUCIARY FUND
 STATEMENT OF NET POSITION
 JUNE 30, 2024**

	Retiree OPEB Trust
ASSETS	
Investments	<u>\$ 5,834,692</u>
NET POSITION	
Restricted for postemployment benefits other than pensions	<u>\$ 5,834,692</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
 FIDUCIARY FUND
 STATEMENT OF CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2024**

	Retiree OPEB Trust
ADDITIONS	
Interest and investment income/(loss)	\$ 577,545
DEDUCTIONS	
Administrative expenses	<u>2,673</u>
CHANGE IN NET POSITION	574,872
NET POSITION - BEGINNING OF YEAR	<u>5,259,820</u>
NET POSITION - END OF YEAR	<u>\$ 5,834,692</u>

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – ORGANIZATION

The Barstow Community College District (the "District") was established in 1959 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of San Bernardino County. The District operates under a locally elected five-member Governing Board form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, Special Revenue funds, Capital Project funds, and Proprietary funds, but these budgets are managed at the department level. Currently, the District operates one community college located in Barstow, California. While the District is a political subdivision of the State of California, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

Basis of Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. This presentation provides a comprehensive government-wide perspective of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, activities, and cash flows and replaces the fund group perspective previously required. The District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as promulgated by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Basis of Accounting, continued

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

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

Cash and Cash Equivalents

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

Investments

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

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

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. Management has analyzed these accounts and believes all amounts are fully collectable.

Prepaid Expenditures

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Capital Assets and Depreciation

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

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 20 to 50 years; improvements, 5 to 20 years; furniture and equipment, 5 to 20 years; and vehicles, 5 to 10 years.

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

Compensated Absences and Load Banking

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

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources for OPEB and pension related items. The deferred amounts related to OPEB and pension related items are associated with differences between expected and actual earnings on plan investments, changes of assumptions, and other OPEB and pension related changes.

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

Lease Liabilities and Right-of-use Assets

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

Postemployment Benefits Other Than Pensions (OPEB)

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

Pensions

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Accounts Payable and Accrued Expenses

Accounts payable consists of amounts due to the State for redirected funds and to vendors for goods and services received prior to June 30. Accrued liabilities consist of salaries and benefits payable.

Unearned Revenue

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

Non-current Liabilities

Non-current liabilities include lease liability, compensated absences, and aggregate net pension liability with maturities greater than one year.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report \$30,243,912 of restricted net position.

Operating and Non-operating Revenues and Expenses

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

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

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Operating and Non-operating Revenues and Expenses, continued

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

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

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

State Apportionments

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

Property Taxes

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

Scholarship Discounts and Allowances

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

Financial Aid Programs

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

Estimates

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Interfund Activity

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

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

New Accounting Pronouncements

The following are the GASB pronouncement adopted by the District and the upcoming GASB pronouncement that may have impact future financial presentations.

Adoption of New Accounting Standards

The following GASB Pronouncements were adopted by the District during the year ended June 30, 2024:

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023.

Management has determined that the adoption of the foregoing accounting standard did not have any material effect on the financial statements of the District.

Upcoming GASB Pronouncements

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Upcoming GASB Pronouncements, continued

GASB Statement No. 102 - In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. A government should disclose in notes to financial statements the information if the following criteria have been met; (a) a concentration or constraint is known to the government prior to the issuance of the financial statements and makes the reporting unit vulnerable to the risk of a substantial impact, (b) an event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024.

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. This statement is effective for periods beginning after June 15, 2025.

NOTE 3 – CASH AND INVESTMENTS

Summary of Cash and Investments

Cash and investments as of June 30, 2024, consist of the following:

	Primary	
	Government	Fiduciary
Cash on hand and in banks	\$ 718,686	\$ -
Cash in revolving	100,400	-
Investments	55,433,652	5,834,692
Total Cash and Investments	\$ 56,252,738	\$ 5,834,692

Policies and Practices

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

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 – CASH AND INVESTMENTS, continued

Investment in County Treasury - The District deposits substantially all receipts and collections of monies with their County Treasurer. The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

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

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 – CASH AND INVESTMENTS, continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by primarily investing in the San Bernardino County Investment Pool and mutual funds.

Credit Risk

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

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

Investment Type	Fair Value	Weighted Average Days to Maturity	Credit Rating
San Bernardino County Treasury Investment Pool	\$ 55,433,652	724 days	AAAf/S1
Mutual funds	5,834,692	No maturity	Not rated
Total	\$ 61,268,344		

Custodial Credit Risk

Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2024, the District's bank balance of approximately \$0.8 million was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 – CASH AND INVESTMENTS, continued

Investments

This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of June 30, 2024, the District's investment balance of approximately \$46.1 million was exposed to custodial credit risk because it was uninsured, unregistered and held by the brokerage firm which is also the counterparty for these securities. The District does not have a policy limiting the amount of securities that can be held by counterparties.

NOTE 4 – FAIR VALUE MEASUREMENTS

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

- Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.
- Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.
- Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

The District's fair value measurements are as follows at June 30, 2024:

Investment Type	Fair Value	Fair Value Measurements Using
		Level 1 Inputs
Mutual funds	\$ 5,834,692	\$ 5,834,692
Total	<u>\$ 5,834,692</u>	

All assets have been valued using a market approach, which uses prices and other relevant information generated by market transaction involving identical or comparable assets or group of assets.

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 – ACCOUNTS RECEIVABLE

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

Federal Government		
Categorical aid	\$	227,125
State Government		
Categorical aid		232,756
Lottery		174,434
Apportionment		2,105,411
Local Sources		
Interest		526,664
Other local sources		528,951
Student receivables		540,191
Total receivables, net	\$	<u>4,335,532</u>

NOTE 6 – CAPITAL AND RIGHT-OF-USE ASSETS

Capital and right-of-use asset activity for the District for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
Capital Assets Not Being Depreciated				
Land	\$ 119,462	\$ -	\$ -	\$ 119,462
Construction in progress	6,856,009	689,148	6,484,846	1,060,311
Total capital assets not being depreciated	<u>6,975,471</u>	<u>689,148</u>	<u>6,484,846</u>	<u>1,179,773</u>
Capital Assets Being Depreciated				
Buildings and improvements	64,457,677	6,414,812	-	70,872,489
Furniture and equipment	4,137,938	149,225	5,710	4,281,453
Total capital assets being depreciated	<u>68,595,615</u>	<u>6,564,037</u>	<u>5,710</u>	<u>75,153,942</u>
Total capital assets	<u>75,571,086</u>	<u>7,253,185</u>	<u>6,490,556</u>	<u>76,333,715</u>
Less: Accumulated Depreciation				
Buildings and improvements	22,210,386	1,612,011	-	23,822,397
Furniture and equipment	2,681,912	216,966	5,710	2,893,168
Total accumulated depreciation	<u>24,892,298</u>	<u>1,828,977</u>	<u>5,710</u>	<u>26,715,565</u>
Capital assets, net	<u>50,678,788</u>	<u>5,424,208</u>	<u>6,484,846</u>	<u>49,618,150</u>
Right-of-use Assets				
Equipment	<u>215,452</u>	<u>252,304</u>	<u>193,882</u>	<u>273,874</u>
Less: Accumulated Amortization				
Equipment	<u>171,701</u>	<u>75,285</u>	<u>193,882</u>	<u>53,104</u>
Right-of-use assets, net	<u>43,751</u>	<u>177,019</u>	<u>-</u>	<u>220,770</u>
Total capital and Right-of-use assets, net	<u>\$ 50,722,539</u>	<u>\$ 5,601,227</u>	<u>\$ 6,484,846</u>	<u>\$ 49,838,920</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7 – LONG-TERM LIABILITIES OTHER THAN OPEB AND PENSIONS

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

	Balance			Balance		Amounts Due in
	July 1, 2023	Additions	Reductions	June 30, 2024	One Year	
Lease liability	\$ 55,395	\$ 252,304	\$ 85,772	\$ 221,927	\$ 51,552	
Compensated absences	669,657	-	43,743	625,914	-	
Total	\$ 725,052	\$ 252,304	\$ 129,515	\$ 847,841	\$ 51,552	

Description of Long-Term Liabilities

The lease liability will be paid by the General Fund. The compensated absences will be paid by the fund for which the employee worked.

Lease Liability

The District has entered into agreements to lease various equipment. Below are the details of each lease.

During fiscal year 2022-23, the District entered into a lease agreement for a new postage meter for five years, beginning December 2022. Under the terms of the lease, the District paid the monthly payment of \$242. The annual interest rate charged on the lease is 3.19%. At the lease inception, the District recorded a right-of-use asset and liability of \$13,430. The District made annual lease payments totaling \$2,902 for fiscal year 2023-24.

In July 2023, the District entered into a lease agreement with Xerox Financial Services LLC for five years beginning September 2023. Under the terms of the lease, the District will pay monthly payments of \$4,482. The imputed interest rate for these leases is 2.63%. At lease inception, the District will recognize a right-of-use asset and a lease liability of \$252,304. The District made annual lease payments totaling \$44,824 for fiscal year 2023-24.

The District's liability on lease agreements with option to purchase is summarized below:

Fiscal Year	Principal	Interest	Total
2025	\$ 51,552	\$ 5,139	\$ 56,691
2026	52,939	3,751	56,690
2027	54,364	2,326	56,690
2028	54,117	881	54,998
2029	8,955	10	8,965
Total	\$ 221,927	\$ 12,107	\$ 234,034

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET)

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

OPEB Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense/(Benefit)
District Plan	\$ (3,556,434)	\$ 853,120	\$ 2,042,655	\$ (95,348)

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses.

Management of the plan is vested in the District management. Management of the trustee assets is vested with the California Employers' Retiree Benefit Trust Fund.

Plan Membership

At June 30, 2023, the valuation date, the Plan membership consisted of the following:

	Number of Participants
Inactive Employees Receiving Benefits	3
Active Employees	117
	<u>120</u>

Retiree Health Benefit OPEB Trust

The Barstow Community College District's Retiree Health Benefit OPEB Trust (the Trust) is an irrevocable governmental trust pursuant to Section 115 of the IRC for the purpose of funding certain postemployment benefits other than pensions. The Trust is administered by the District's Governing Board as directed by the investment alternative choice selected by the District. The District retains the responsibility to oversee the management of the Trust, including the requirement that investments and assets held within the Trust continually adhere to the requirements of the California Government Code Section 53600.5 which specifies that the trustee's primary role is to preserve capital, to maintain investment liquidity, and to protect investment yield. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been discretely presented. Separate financial statements are not prepared for the trust.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET), continued

District Plan, continued

Benefits Provided

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

	Faculty	Classified	Management
Benefit types provided	Medical, dental, vision and life	Medical, dental, vision and life	Medical, dental, vision and life
Duration of Benefits	Earlier of age 65 or Medicare	10 years plus one year for each 2 years of "age plus service" to a maximum of 15 years; but not beyond earlier of age 65 and Medicare Age	10 years plus one year for each 2 years of "age plus service" to a maximum of 15 years; but not beyond earlier of age 65 and Medicare Age
Required Service	10 years	Age plus service of at least 65	Age plus service of at least 65
Minimum Age	55	50	50
Dependent Coverage	Yes	Yes	Yes
College Contribution %	100%	100%	100%
College Cap	Costs increases shared between employee and the District	Employee contribution frozen at retirement	Employee contribution frozen at retirement

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District and the District's bargaining units. The voluntary contributions based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by management and the District's governing board. For the measurement period of June 30, 2023, the District paid \$115,750 in benefits. Additionally, the District recognized a reduction in the total OPEB liability/(asset) of \$1,563,273 associated with the implicit rate subsidy.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET), continued

District Plan, continued

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the governing board by a majority vote of its members. It is the policy of the District to pursue an investment strategy that reduces risks through the prudent diversification for the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans. The following was the governing board's adopted asset allocation policy as of the June 30, 2023 measurement date:

Asset Class	Percentage of Portfolio	Assumed Gross Return
All Equities	59%	7.545%
All Fixed Income	25%	4.250%
Real Estate Investment Trusts	8%	7.250%
All Commodities	3%	7.545%
Treasury Inflation Protected Securities	5%	3.000%

Rate of Return

For the June 30, 2023 measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 6.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability/(Asset) of the District

The District's net OPEB liability/(asset) of (\$3,556,434) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The components of the net OPEB liability/(asset) of the District as of the June 30, 2023 measurement date, were as follows:

Total OPEB liability	\$ 1,705,646
Plan fiduciary net position	<u>5,262,080</u>
Net OPEB liability/(asset)	<u>\$ (3,556,434)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>308.51%</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET), continued

District Plan, continued

Actuarial Assumptions

The total OPEB liability as of June 30, 2024 was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2023. The following assumptions were applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2023
Measurement date	June 30, 2023
Actuarial cost methods	Entry age actuarial cost method
Inflation rate	2.50%
Investment rate of return	6.75%
Healthcare cost trend rate	4.00%
Payroll increase	2.75%

The discount rate was based on the long-term expected return on plan assets assuming 100% funding through the Trust, using the building block method.

Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2017 CalPERS Active Mortality for Miscellaneous and School Employees Table for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actual experience study as of June 2023.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET), continued

District Plan, continued

Changes in the Net OPEB Liability/(Asset)

	Increase/(Decrease)		
	Total OPEB Liability	Total Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance July 1, 2022	\$ 2,952,817	\$ 4,945,978	\$ (1,993,161)
Changes for the year:			
Service cost	203,692	-	203,692
Interest on TOL	202,283	-	202,283
Employer contributions	-	115,750	(115,750)
Change in assumptions	(48,799)	-	(48,799)
Expected investment income	-	333,805	(333,805)
Experience gains/losses	(1,488,597)	-	(1,488,597)
Investment gains/losses	-	(16,266)	16,266
Administrative expense	-	(1,437)	1,437
Expected benefit payments	(115,750)	(115,750)	-
Net change	(1,247,171)	316,102	(1,563,273)
Balance June 30, 2023	\$ 1,705,646	\$ 5,262,080	\$ (3,556,434)

There were no changes to benefit terms and assumptions since the previous valuation.

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate

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

	Discount		
	1% Decrease (5.75%)	Rate (6.75%)	1% Increase (7.75%)
Net OPEB liability/(asset)	\$ (3,413,466)	\$ (3,556,434)	\$ (3,686,377)

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 – AGGREGATE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY/(ASSET), continued

District Plan, continued

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Healthcare Cost Trend Rate

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

	Healthcare Cost		
	1% Decrease (3.00%)	Trend Rate (4.00%)	1% Increase (5.00%)
Net OPEB liability/(asset)	\$ (3,743,206)	\$ (3,556,434)	\$ (3,336,299)

Deferred Outflows/Inflows of Resources Related to OPEB

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ 357,081	\$ -
Differences between expected and actual experience	56,209	1,729,998
Change in assumptions	439,830	312,657
	<u>\$ 853,120</u>	<u>\$ 2,042,655</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense/(benefit) as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ (58,960)
2026	(89,532)
2027	98,133
2028	(131,480)
2029	(134,730)
Thereafter	(872,966)
	<u>\$ (1,189,535)</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 – RISK MANAGEMENT

Property and Liability Insurance Coverages

The District is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year ended June 30, 2024, the District contracted with the Statewide Association of Community Colleges (SWACC) Joint Powers Authority for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year ended June 30, 2024, the District participated in the Protected Insurance Program for Schools and Community Colleges (PIPS) Joint Powers Authority (JPA), an insurance purchasing pool. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate.

Total savings are then calculated and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

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

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 9,810,349	\$ 3,523,294	\$ 1,117,828	\$ 1,468,674
CalPERS	12,600,021	4,466,006	1,489,217	1,830,569
Total	\$ 22,410,370	\$ 7,989,300	\$ 2,607,045	\$ 3,299,243

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

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

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

Benefits Provided

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

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

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Benefits Provided, continued

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

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

Contributions

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2024, are presented above and the District's total contributions were \$1,713,282.

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

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

District's proportionate share of the net pension liability	\$ 9,810,349
State's proportionate share of the net pension liability associated with the District	4,700,500
Total	<u>\$ 14,510,849</u>

The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2023 and June 30, 2022, respectively was 0.013 percent and 0.012 percent, resulting in an increase of 0.001 percent in the proportionate share.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

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

For the year ended June 30, 2024, the District recognized pension expense of \$1,468,674. In addition, the District recognized pension expense and revenue of (\$68,260) for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 41,503	\$ -
Differences between expected and actual experience	770,988	524,775
Changes in assumptions	56,805	-
Net changes in proportionate share of net pension liability	940,716	593,053
District contributions subsequent to the measurement date	1,713,282	-
Total	<u>\$ 3,523,294</u>	<u>\$ 1,117,828</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ (176,016)
2026	(349,134)
2027	810,679
2028	180,445
2029	97,712
Thereafter	128,498
	<u>\$ 692,184</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Actuarial Methods and Assumptions

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

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

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

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2024, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	100%	

*20-year average. Real rates of return of net of assumed 2.75% inflation.

**BARSTOW COMMUNITY COLLEGE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Discount Rate

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	\$ 16,456,078	\$ 9,810,349	\$ 4,290,297

California Public Employees' Retirement System (CalPERS)

Plan Description

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

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Benefits Provided

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

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

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

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024, are presented above and the total District contributions were \$1,726,886.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

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

As of June 30, 2024, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$12,600,021. The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2023 and June 30, 2022, respectively was 0.035 percent and 0.039 percent, resulting in a net decrease in the proportionate share of 0.004 percent.

For the year ended June 30, 2024, the District recognized pension expense of \$1,830,569. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 1,345,860	\$ -
Differences between expected and actual experience	459,810	193,518
Changes in assumptions	580,478	-
Net changes in proportionate share of net pension liability	352,972	1,295,699
District contributions subsequent to the measurement date	1,726,886	-
Total	<u>\$ 4,466,006</u>	<u>\$ 1,489,217</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 433,985
2026	312,722
2027	673,195
2028	(169,999)
	<u>\$ 1,249,903</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Actuarial Methods and Assumptions

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

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

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

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

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**
Global Equity - Cap-weighted	30%	4.54%
Global Equity - Non-cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%
	100%	

*An expected inflation of 2.30% used for this period.

**Figures are based on the 2021-22 Asset Liability Management study.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Discount Rate

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Plan's net pension liability	\$ 18,216,373	\$ 12,600,021	\$ 7,958,234

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS in the amount of \$751,838. Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

NOTE 11 – PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES

The District is a member of the Statewide Association of Community Colleges (SWACC) joint powers authority (JPA) public entity risk sharing pool for property/liability and the Protected Insurance Program for Schools and Community Colleges (PIPS) joint powers authority (JPA) public entity risk sharing pool for workers' compensation. The District pays annual premiums to the entity for its workers' compensation and property/liability coverage. The relationship between the District and the pool is such that it is not a component unit of the District for financial reporting purposes.

The JPA has budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, fund transactions between the JPA and the District are included in these statements. Audited financial statements are available from the respective entity.

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Grants

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

Litigation

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

Construction Commitments

As of June 30, 2024, the District had no outstanding commitments with respect to unfinished capital projects.

NOTE 13 - PRIOR PERIOD ADJUSTMENTS

The beginning net position decreased by \$188,850 due to District identified adjustments in the General Fund.

NOTE 14 – SUBSEQUENT EVENTS

The District evaluated subsequent events from June 30, 2024 through December 30, 2024, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year (Measurement Date)						
	2024 (2032)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability							
Service cost	\$ 203,692	\$ 198,240	\$ 231,817	\$ 225,613	\$ 168,637	\$ 264,592	\$ 155,572
Interest	202,283	183,423	222,872	205,740	146,263	136,943	130,706
Change in assumptions	(48,799)	-	(348,746)	-	649,280	-	-
Experience gains/losses	(1,488,597)	-	(435,971)	(29,949)	69,738	-	-
Benefit payments	(115,750)	(94,222)	(170,131)	(154,365)	(208,988)	(259,846)	(247,934)
Net change in total OPEB liability	(1,247,171)	287,441	(500,159)	247,039	824,930	141,689	38,344
Total OPEB liability, beginning of year	2,952,817	2,665,376	3,165,535	2,918,496	2,093,566	1,951,877	1,913,533
Total OPEB liability, end of year (a)	\$ 1,705,646	\$ 2,952,817	\$ 2,665,376	\$ 3,165,535	\$ 2,918,496	\$ 2,093,566	\$ 1,951,877
Plan fiduciary net position							
Employer contributions	\$ 115,750	\$ 104,841	\$ 65,290	\$ 154,365	\$ -	\$ 259,846	\$ 247,934
Expected investment income	333,805	385,382	1,253,310	308,565	297,197	283,609	385,725
Investment gains/losses	(16,266)	(1,148,045)	-	(152,674)	(26,688)	38,869	-
Administrative expense	(1,437)	(1,449)	(1,726)	(2,162)	(3,708)	(3,632)	(6,117)
Expected benefit payments	(115,750)	(104,841)	(170,131)	(154,365)	(208,988)	(259,846)	(247,934)
Change in plan fiduciary net position	316,102	(764,112)	1,146,743	153,729	57,813	318,846	379,608
Fiduciary trust net position, beginning of year	4,945,978	5,710,090	4,563,163	4,409,434	4,351,621	4,032,775	3,653,775
Fiduciary trust net position, end of year (b)	\$ 5,262,080	\$ 4,945,978	\$ 5,709,906	\$ 4,563,163	\$ 4,409,434	\$ 4,351,621	\$ 4,033,383
Net OPEB liability/(asset), ending (a) - (b)	\$ (3,556,434)	\$ (1,993,161)	\$ (3,044,530)	\$ (1,397,628)	\$ (1,490,938)	\$ (2,258,055)	\$ (2,081,506)
Covered payroll	\$ 14,196,361	\$ 14,492,962	\$ 13,464,276	\$ 13,225,067	\$ 13,271,882	\$ 11,434,251	\$ 10,712,226
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	309%	168%	214%	144%	151%	208%	207%
Net OPEB asset/(liability) as a percentage of covered payroll	-25%	-14%	-23%	-11%	-11%	-20%	-19%

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
 SCHEDULE OF OPEB INVESTMENT RETURNS
 FOR THE YEAR ENDED JUNE 30, 2024**

	Reporting Fiscal Year (Measurement Date)						
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Annual money-weighted rate of return, net of investment expense	6.72%	6.72%	27.43%	3.49%	6.13%	7.91%	10.52%

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024**

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CalSTRS					
District's proportion of the net pension liability	0.013%	0.012%	0.013%	0.012%	0.012%
District's proportionate share of the net pension liability	\$ 9,810,349	\$ 8,569,283	\$ 5,919,617	\$ 12,055,546	\$ 11,157,227
State's proportionate share of the net pension liability associated with the District	4,700,500	4,291,522	2,978,522	6,214,635	6,087,012
Total	\$ 14,510,849	\$ 12,860,805	\$ 8,898,139	\$ 18,270,181	\$ 17,244,239
District's covered-employee payroll	\$ 8,360,550	\$ 7,524,403	\$ 7,291,932	\$ 7,390,152	\$ 6,498,170
District's proportionate share of the net pension liability as percentage of covered-employee payroll	117%	114%	81%	163%	172%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CalPERS					
District's proportion of the net pension liability	0.035%	0.039%	0.041%	0.040%	0.037%
District's proportionate share of the net pension liability	\$ 12,600,021	\$ 13,288,723	\$ 8,407,356	\$ 12,402,553	\$ 10,753,609
District's covered-employee payroll	\$ 6,132,412	\$ 5,939,873	\$ 5,933,135	\$ 5,881,730	\$ 4,936,081
District's proportionate share of the net pension liability as percentage of covered-employee payroll	205%	224%	142%	211%	218%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024**

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalSTRS					
District's proportion of the net pension liability	0.011%	0.012%	0.012%	0.012%	0.012%
District's proportionate share of the net pension liability	\$ 10,234,814	\$ 10,775,779	\$ 9,531,686	\$ 7,900,825	\$ 6,796,535
State's proportionate share of the net pension liability associated with the District	5,859,910	6,374,860	5,913,734	4,169,973	3,604,088
Total	\$ 16,094,724	\$ 17,150,639	\$ 15,445,420	\$ 12,070,798	\$ 10,400,623
District's covered-employee payroll	\$ 6,357,020	\$ 6,352,846	\$ 5,855,107	\$ 5,422,838	\$ 5,145,047
District's proportionate share of the net pension liability as percentage of covered-employee payroll	161%	170%	163%	146%	132%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalPERS					
District's proportion of the net pension liability	0.033%	0.032%	0.030%	0.033%	0.033%
District's proportionate share of the net pension liability	\$ 8,803,989	\$ 7,558,056	\$ 5,913,734	\$ 4,875,369	\$ 3,750,895
District's covered-employee payroll	\$ 4,355,206	\$ 4,047,213	\$ 3,625,981	\$ 3,678,218	\$ 3,474,038
District's proportionate share of the net pension liability as percentage of covered-employee payroll	202%	187%	163%	133%	108%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024**

CalSTRS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 1,713,282	\$ 1,596,865	\$ 1,273,129	\$ 1,177,647	\$ 1,263,716
District's contributions in relation to the statutorily required contribution	1,713,282	1,596,865	1,273,129	1,177,647	1,263,716
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 8,970,063	\$ 8,360,550	\$ 7,524,403	\$ 7,291,932	\$ 7,390,152
District's contributions as a percentage of covered-employee payroll	19.10%	19.10%	16.92%	16.15%	17.10%

CalPERS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 1,726,886	\$ 1,555,793	\$ 1,360,825	\$ 1,228,159	\$ 1,159,936
District's contributions in relation to the statutorily required contribution	1,726,886	1,555,793	1,360,825	1,228,159	1,159,936
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,472,586	\$ 6,132,412	\$ 5,939,873	\$ 5,933,135	\$ 5,881,730
District's contributions as a percentage of covered-employee payroll	26.68%	25.37%	22.91%	20.70%	19.72%

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024**

CaISTRS	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 1,057,902	\$ 917,318	\$ 799,188	\$ 628,253	\$ 481,548
District's contributions in relation to the statutorily required contribution	1,057,902	917,318	799,188	628,253	481,548
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,498,170	\$ 6,357,020	\$ 6,352,846	\$ 5,855,107	\$ 5,422,838
District's contributions as a percentage of covered-employee payroll	16.28%	14.43%	12.58%	10.73%	8.88%
	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
CaPERS					
Statutorily required contribution	\$ 891,555	\$ 676,407	\$ 562,077	\$ 429,570	\$ 432,963
District's contributions in relation to the statutorily required contribution	891,555	676,407	562,077	429,570	432,963
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,936,081	\$ 4,355,206	\$ 4,047,213	\$ 3,625,981	\$ 3,678,218
District's contributions as a percentage of covered-employee payroll	18.06%	15.53%	13.89%	11.85%	11.77%

BARSTOW COMMUNITY COLLEGE DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Changes in the District's Net OPEB Liability/(Asset) and Related Ratios

This schedule presents information on the District's changes in the total OPEB liability, including beginning and ending balances and the net OPEB liability/(asset). In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* - There were no changes to assumptions since the previous valuation.

Schedule of OPEB Investment Returns

The schedule of OPEB investment return presents information on the annual money-weighted rate of return on OPEB plan investments, net of investment expenses. In the future, as data becomes available, ten years of information will be presented.

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

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

- *Changes in Benefit Terms* - There were no changes in benefit terms since the previous valuations for either CalSTRS or CalPERS.
- *Changes of Assumptions* - The consumer price inflation change from 2.50 percent to 2.30 percent since the previous valuation for CalPERS. There were no changes in the assumptions for CalSTRS.

Schedule of District Contributions – Pensions

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

SUPPLEMENTARY INFORMATION

**BARSTOW COMMUNITY COLLEGE DISTRICT
ORGANIZATIONAL STRUCTURE
JUNE 30, 2024**

Barstow Community College District was established in 1959. The curriculum offered includes lower division courses for students planning to transfer to a four-year college or university. Also offered are general education courses designed to provide continuing educational opportunities to students. The District serves the communities of Barstow, Lenwood, Newberry Springs, Daggett, Yermo, Hinkley, Ludlow, and Baker. College is accredited through the Western Association of Schools and Colleges.

GOVERNING BOARD

NAME	OFFICE	TERM EXPIRES
Paul Wilkey	President	2024
Julie Hackbarth-McIntyre	Vice President	2026
Fernando (Fred) Baca	Board Secretary	2024
Yolanda Minor	Member	2026
John Gregg	Member	2024
Valerie Pamphile	Student Trustee	2025

ADMINISTRATION

Eva Bagg, Ph.D. <i>Superintendent/President</i>	Dr. Jennifer Rodden <i>Vice President, Academic Affairs</i>
Deedee Garcia <i>Vice President, Administrative Services</i>	Dr. Oscar Espinoza-Parra <i>Vice President, Student Services</i>

AUXILIARY ORGANIZATIONS IN GOOD STANDING

AUXILIARY NAME	DIRECTOR'S NAME	ESTABLISHMENT AND MASTER AGREEMENT DATE
Barstow College Foundation	Melanie Burnau <i>Executive Director</i>	Established in 1981 Master Agreement entered into 1981

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grant Number	Total Program Expenditures
U.S. DEPARTMENT OF EDUCATION			
<i>Direct Program</i>			
Student Financial Aid Cluster			
Federal Pell Grant Program	84.063	n/a	\$ 9,970,016
Federal Supplemental Educational Opportunity Grant (FSEOG)	84.007	n/a	170,448
Federal Work Study (FWS)	84.033	n/a	112,931
Federal Direct Student Loans	84.268	n/a	1,741,160
Subtotal Student Financial Aid Cluster			<u>11,994,555</u>
<i>Passed through California Community Colleges Chancellor's Office</i>			
Career and Technical Education Act (CTEA), Title I - Part C	84.048A	21-C01-910	268,500
Total U.S. Department of Education			<u>12,263,055</u>
NATIONAL SCIENCE FOUNDATION			
<i>Passed through University Enterprises Corporation at California State University San Bernardino</i>			
Research and Development Cluster			
Promoting Pre and Post-transfer Success in STEM at Hispanic Serving Institutions	47.076	GT17147A4	(22,079)
Total National Science Foundation			<u>(22,079)</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed through California Community Colleges Chancellor's Office:</i>			
Temporary Assistance for Needy Families (TANF)	93.558	(1)	46,052
Foster Kinship Care Education	93.658	(1)	43,761
Total Department of Health and Human Services			<u>89,813</u>
Total Federal Programs			<u>\$ 12,330,789</u>

(1) - Pass-through entity identifying number not readily available.

n/a - Pass-through entity identifying number not applicable.

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Revenues				Total Revenue	Program Expenditures
	Cash Received	Accounts Receivable	Unearned Revenue	Accounts Payable		
Growing Inland Achievement FY21/22	\$ 3,408	\$ -	\$ 3,408	\$ -	\$ -	\$ -
Zero Textbook Costs One-Time	180,000	-	180,000	-	-	-
Zero Textbook Costs	90,000	-	90,000	-	-	-
Zero Textbook Costs	20,000	-	20,000	-	-	-
Culturally Competent Faculty FY21/22	50,434	-	50,434	-	-	-
Strong Workforce-Local	283,949	-	283,949	-	-	-
Strong Workforce-Local FY18/19	733	-	-	-	733	733
Strong Workforce-Local FY20/21	742	-	462	-	280	280
Strong Workforce-Local FY21/22	204,532	-	45,120	-	159,412	159,412
Strong Workforce-Local FY22/23	311,833	-	298,587	-	13,246	13,246
Veterans Resource Center	39,904	-	39,904	-	-	-
Veterans Resource Center One-Time	7,328	-	-	-	7,328	7,328
Veterans Resource Center FY20/21	37,181	-	-	-	37,181	37,181
Veterans Resource Center FY21/22	37,181	-	1,671	-	35,510	35,510
Veterans Resource Center FY22/23	36,873	-	36,873	-	-	-
Guided Pathways FY22/23	223,316	-	180,012	-	43,304	43,304
Adult Ed Block Grant	1,448,854	-	32,629	-	1,416,225	1,416,225
Adult Ed Consortium	30,000	-	-	-	30,000	30,000
Adult Ed Consortium FY22/23	19,482	-	-	-	19,482	19,482
Strong Workforce P02	548	76,142	-	-	76,690	76,690
Strong Workforce P02 FY21/22	435	-	-	-	435	435
Strong Workforce P07	29,874	91,404	-	-	121,278	121,278
Strong Workforce P07 FY21/22	1	-	-	-	1	1
Strong Workforce P12 FY21/22	19,874	-	9,999	-	9,875	9,875
Strong Workforce P18 FY 20/21	(24,460)	-	-	(24,460)	-	-
Strong Workforce P18 FY21/22	25,894	-	-	-	25,894	25,894
Strong Workforce Ism FY21/22	52,989	-	-	-	52,989	52,989
Swp R6-Shared FY21/22	4,502	-	-	-	4,502	4,502
Strong Workforce P49	29,681	-	29,681	-	-	-
Strong Workforce P50	1,110	4,485	-	-	5,595	5,595
Strong Workforce P61	-	1,198	-	-	1,198	1,198
Hrtp Health	61,450	32,710	-	-	94,160	94,160
Rerp	35,816	-	25,416	-	10,400	10,400
Natl Asso For Cc Entrepreneurs FY20/21	28,000	-	21,908	-	6,092	6,092
Learning Aligned Employment FY21/22	498,122	-	498,122	-	-	-
Learning Aligned Employment FY22/23	747,183	-	747,183	-	-	-
Student Equity/Achievement-Sea	1,578,473	-	1,242,727	-	335,746	335,746
Student Equity/Achievement-Sea FY22/23	867,081	-	-	-	867,081	867,081
Basic Needs Centers	226,621	-	226,621	-	-	-
Basic Needs Centers FY21/22	57,759	-	-	-	57,759	57,759
Basic Needs Centers FY22/23	204,009	-	161,005	-	43,004	43,004
College Rapid Rehousing	500,000	-	500,000	-	-	-
College Rapid Rehousing FY21/22	238,410	-	-	-	238,410	238,410
College Rapid Rehousing FY22/23	666,667	-	451,361	-	215,306	215,306
Undocumented Resources Liaison	62,399	-	58,791	-	3,608	3,608
Finish Line Scholars	125,000	-	-	-	125,000	125,000
S.F.A.A./BFAP	191,935	-	60,299	-	131,636	131,636
S.F.A.A./BFAP FY22/23	46,600	-	-	-	46,600	46,600
Financial Aid Technology	40,790	-	40,790	-	-	-
Financial Aid Technology FY18/19	4,709	-	-	-	4,709	4,709
Financial Aid Technology FY19/20	41,227	-	-	-	41,227	41,227
Financial Aid Technology FY20/21	41,210	-	-	-	41,210	41,210
Financial Aid Technology FY21/22	41,083	-	-	-	41,083	41,083
Financial Aid Technology FY22/23	41,083	-	39,931	-	1,152	1,152
Student Success Completion	1,505,308	-	-	-	1,505,308	1,505,308
Student Success Completion FY18/19	47,333	-	-	47,333	-	-
College Promise	94,409	-	94,409	-	-	-
College Promise FY20/21	17,482	-	-	-	17,482	17,482
College Promise FY21/22	59,585	-	8,869	-	50,716	50,716
College Promise FY22/23	94,559	-	94,559	-	-	-
Mental Health Support	126,711	-	88,691	-	38,020	38,020
Mental Health Support FY21/22	174,080	-	-	-	174,080	174,080
LGBTQ+	47,924	-	47,924	-	-	-
LGBTQ+ FY21/22	50,655	-	46,472	-	4,183	4,183
Balance Forwarded	11,729,871	205,939	5,757,807	22,873	6,155,130	6,155,130

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

	Program Revenues				Total Revenue	Program Expenditures
	Cash Received	Accounts Receivable	Unearned Revenue	Accounts Payable		
Balance Brought Forward	11,729,871	205,939	5,757,807	22,873	6,155,130	6,155,130
Student Food And Housing	226,647	-	226,647	-	-	-
Student Food And Housing FY21/22	106,194	-	-	-	106,194	106,194
Student Food And Housing FY22/23	187,667	-	157,043	-	30,624	30,624
Calworks	230,684	-	54,938	-	175,746	175,746
Calworks FY22/23	94,534	-	-	-	94,534	94,534
Tanf	35,000	11,052	-	-	46,052	46,052
Foster & Kinship Care Educ Pgm	104,962	-	-	-	104,962	104,962
Foster & Kinship Care Educ Pgm FY22/23	10,171	-	-	-	10,171	10,171
Nextup	428,277	-	428,277	-	-	-
Nextup FY22/23	428,095	-	134,104	-	293,991	293,991
Foster Youth Advisory Council	11,000	-	11,000	-	-	-
Extended Opportunity Prog&Svcs	1,266,792	-	1,103,601	-	163,191	163,191
Extended Opportunity Prog&Svcs FY22/23	770,821	-	-	-	770,821	770,821
Care	424,652	-	424,652	-	-	-
Care FY21/22	49,311	-	-	-	49,311	49,311
Care FY22/23	360,966	-	8,461	-	352,505	352,505
Dsps	366,244	-	168,889	-	197,355	197,355
Dsps FY22/23	111,849	-	-	-	111,849	111,849
Dsps Electronic Info	10,130	-	10,130	-	-	-
Dsps Electronic Info FY22/23	8,634	-	4,500	-	4,134	4,134
Deaf And Hard Of Hearing	5,542	-	5,542	-	-	-
Retention And Enrollment Sb 85	525,333	-	356,127	-	169,206	169,206
Covid Recovery Block Grant	555,552	-	-	-	555,552	555,552
Campus Safety & Sexual Assault Prevention FY17/18	12,605	-	12,605	-	-	-
Physical Plant/Instrl Support	36,077	-	36,077	-	-	-
Physical Plant/Instrl Support FY 17/18	1	-	-	-	1	1
Physical Plant/Instrl Support FY19/20	15,111	-	-	-	15,111	15,111
Physical Plant/Instrl Support FY21/22	972,418	-	753,555	-	218,863	218,863
It Data Security	450,000	-	450,000	-	-	-
It Data Security FY22/23	50,000	-	44,528	-	5,472	5,472
Local & State It Data Security	175,000	-	175,000	-	-	-
Local & State It Data Security FY22/23	200,000	-	200,000	-	-	-
Rural Technology Grant FY19/20	143,819	-	143,819	-	-	-
Staff Development FY18/19	13,262	-	5,677	-	7,585	7,585
Equal Employment Opportunity	138,888	-	138,888	-	-	-
Equal Employment Opportunity FY19/20	15,419	-	-	-	15,419	15,419
Equal Employment Opportunity FY20/21	50,000	-	7,627	-	42,373	42,373
Equal Employment Opportunity FY21/22	50,000	-	50,000	-	-	-
Equal Employment Opportunity FY22/23	138,888	-	138,888	-	-	-
Eeo - Best Practices FY21/22	197,967	-	176,465	-	21,502	21,502
Lottery	207,862	85,163	83,479	-	209,546	209,546
Lottery FY21/22	327,660	-	288,636	-	39,024	39,024
Lottery FY22/23	273,613	-	273,613	-	-	-
Total	\$ 21,517,518	\$ 302,154	\$ 11,830,575	\$ 22,873	\$ 9,966,224	\$ 9,966,224

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT –
ANNUAL/ACTUAL ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2024**

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit	3.77	-	3.77
2. Credit	437.29	-	437.29
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit	3.53	-	3.53
2. Credit	0.22	-	0.22
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	66.77	-	66.77
(b) Daily Census Contact Hours	15.42	-	15.42
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	64.24	-	64.24
(b) Credit	10.09	-	10.09
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Contact Hours	282.51	-	282.51
(b) Daily Census Contact Hours	1,986.17	-	1,986.17
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
D. Total FTES	2,870.01	-	2,870.01
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Credit	7.64	-	7.64
2. Noncredit	35.61	-	35.61
Total Basic Skills FTES	43.25	-	43.25
<u>CCFS 320 Addendum</u>			
CDCP Noncredit FTES	33.62	-	33.62

**BARSTOW COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF THE ECS 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2024**

	Object/ TOP Codes	Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	\$ 4,266,763	\$ -	\$ 4,266,763	\$ 4,266,763	\$ -	\$ 4,266,763
Other	1300	2,658,702	-	2,658,702	2,658,702	-	2,658,702
Total Instructional Salaries		6,925,465	-	6,925,465	6,925,465	-	6,925,465
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	1,416,143	-	1,416,143
Other	1400	-	-	-	557,174	-	557,174
Total Non-Instructional Salaries		-	-	-	1,973,317	-	1,973,317
Total Academic Salaries		6,925,465	-	6,925,465	8,898,782	-	8,898,782
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	2,812,260	-	2,812,260
Other	2300	-	-	-	250,450	-	250,450
Total Non-Instructional Salaries		-	-	-	3,062,710	-	3,062,710
Instructional Aides							
Regular Status	2200	535,904	-	535,904	535,904	-	535,904
Other	2400	169,224	-	169,224	169,224	-	169,224
Total Instructional Aides		705,128	-	705,128	705,128	-	705,128
Total Classified Salaries		705,128	-	705,128	3,767,838	-	3,767,838
Employee Benefits	3000	2,928,158	-	2,928,158	5,557,002	-	5,557,002
Supplies and Materials	4000	-	-	-	92,062	-	92,062
Other Operating Expenses	5000	-	-	-	3,177,652	-	3,177,652
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		10,558,751	-	10,558,751	21,493,336	-	21,493,336
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	12,377	-	12,377	12,377	-	12,377
Std. Health Svcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	25,200	-	25,200
Object to Exclude							
Rents and Leases	5060	-	-	-	53,129	-	53,129
Lottery Expenditures							
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	562,262	-	562,262
Capital Outlay	6000	-	-	-	-	-	-
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		\$ 12,377	\$ -	\$ 12,377	\$ 652,968	\$ -	\$ 652,968
Total for ECS 84362, 50% Law		\$ 10,546,374	\$ -	\$ 10,546,374	\$ 20,840,368	\$ -	\$ 20,840,368
Percent of CEE (Instructional Salary Cost/Total CEE)		50.61%	0.00%	50.61%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 10,420,184	\$ -	\$ 10,420,184

**BARSTOW COMMUNITY COLLEGE DISTRICT
 DETAILS OF THE EDUCATION PROTECTION ACCOUNT EXPENDITURES
 FOR THE YEAR ENDED JUNE 30, 2024**

EPA Revenue	\$ 2,346,568
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Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	\$ 2,346,568	\$ -	\$ -	\$ 2,346,568
Total		\$ 2,346,568	\$ -	\$ -	\$ 2,346,568

**BARSTOW COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024**

Total Fund Equity - District Funds Included in the Reporting Entity

General Funds	\$	10,800,875	
Capital Project Funds		29,943,653	
Internal Service Funds		133,801	
Other Student and Trust Funds		182,882	
		<u> </u>	
Total fund balances as reported in the CCFS-311			\$ 41,061,211

Assets recorded within the statement of net position not included in the District fund financial statements:

Capital assets	\$	76,333,715	
Accumulated depreciation		(26,715,565)	
Right-of-use assets		273,874	
Accumulated amortization		<u>(53,104)</u>	49,838,920

Net OPEB asset 3,556,434

Deferred outflows recorded within the statement of net position not included in the District fund financial statements:

Deferred outflows from OPEB			853,120
Deferred outflows from pensions			7,989,300

Liabilities recorded within the statement of net position not recorded in the District fund financial statements:

Lease liability	\$	(221,927)	
Compensated absences		(625,914)	
Net pension liability		<u>(22,410,370)</u>	(23,258,211)

Deferred inflows recorded within the statement of net position not included in the District fund financial statements:

Deferred inflows from OPEB			(2,042,655)
Deferred inflows from pensions			<u>(2,607,045)</u>

Net Assets Reported Within the Statement of Net Position \$ 75,391,074

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

NOTE 1 – PURPOSE OF SCHEDULES

Organizational Structure

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

Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Summary of Significant Accounting Policies

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

Indirect Cost Rate

The District has elected to use the 10% de minimis cost rate.

Schedule of Expenditures of State Awards

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

Schedule of Workload Measures for State General Apportionment – Annual/Actual Attendance

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

Reconciliation of the ECS 84362 (50 Percent Law) Calculation

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

**BARSTOW COMMUNITY COLLEGE DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2024**

NOTE 1 – PURPOSE OF SCHEDULES, continued

Details of the Education Protection Account Expenditures

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

Reconciliation of Governmental Funds to the Statement of Net Position

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

OTHER INDEPENDENT AUDITORS' REPORTS



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Trustees
Barstow Community College District
Barstow, California

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

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



San Diego, California
December 30, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees
Barstow Community College District
Barstow, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Barstow Community College District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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

CWDL, Certified Public Accountants

San Diego, California
December 30, 2024



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAM

Board of Trustees
Barstow Community College District
Barstow, California

Report on State Compliance

Opinion on State Compliance

We have audited Barstow Community College District's (the "District") compliance with the types of compliance requirements as identified in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual* for the year ended June 30, 2024. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards and the compliance requirements are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on state compliance with the compliance requirements subject to audit in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's compliance with the requirements described in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, we:

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

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

Compliance Requirements Tested

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

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

Report on Internal Control over Compliance

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

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in 2023-24 California Community Colleges Chancellor’s Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 30, 2024

FINDINGS AND QUESTIONED COSTS SECTION

**BARSTOW COMMUNITY COLLEGE DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	<u>No</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None Noted</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None Noted</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards	<u>No</u>
Identification of major programs:	

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program of Cluster</u>
84.007, 84.033 84.063, 84.268	Student Financial Aid Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None Noted</u>
Type of auditors' report issued on compliance for State programs:	<u>Unmodified</u>

**BARSTOW COMMUNITY COLLEGE DISTRICT
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2024**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings or recommendations identified during 2023-24.

**BARSTOW COMMUNITY COLLEGE DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no federal award findings or questioned costs identified during 2023-24.

**BARSTOW COMMUNITY COLLEGE DISTRICT
STATE COMPLIANCE FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

There were no state award findings or questioned costs identified during 2023-24.

**BARSTOW COMMUNITY COLLEGE DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

This section identifies the audit findings and questioned related to the basic financial statements, federal awards or state awards for prior year.

There were no audit findings or questioned costs for the year ended June 30, 2023.