

Sinclair Community College

*Financial Statements for the Years Ended
June 30, 2003 and 2002 and Single Audit
Reports for the Year Ended June 30, 2003*



**Auditor of State
Betty Montgomery**

Board of Trustees
Sinclair Community College
444 West Third Street, Room 7321
Dayton, Ohio 45402-1421

We have reviewed the Independent Auditor's Report of the Sinclair Community College, Montgomery County, prepared by Deloitte & Touche LLP, for the audit period July 1, 2002 through June 30, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Sinclair Community College is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

November 6, 2003

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SINCLAIR COMMUNITY COLLEGE

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INDEPENDENT AUDITORS' REPORT

The President and Board of Trustees
Sinclair Community College and
Betty Montgomery, Auditor of State

We have audited the accompanying consolidated statements of net assets of Sinclair Community College (the "College") as of June 30, 2003 and 2002, and the related consolidated statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the management of the College. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sinclair Community College at June 30, 2003 and 2002, and the changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 2 -- 7 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the College's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of Sinclair Community College taken as a whole. The accompanying Schedule of Expenditures of Federal Awards on pages 19 through 21, which is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the additional information on page 28, are presented for the purpose of additional analysis and are not a required part of the 2003 basic financial statements. The schedule and additional information are the responsibility of the College's management. Such additional information has been subjected to the auditing procedures applied in our audits of the 2003 basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 7, 2003, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Deloitte & Touche LLP

October 7, 2003

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Sinclair Community College's (the "College's") financial performance provides an overview of the College's financial activities for the fiscal years ended June 30, 2003 and 2002. Please read it in conjunction with the College's financial statements, which begin on page 8.

Financial Highlights

In spite of continued cutbacks in state appropriations (Sinclair's largest funding source), the College's financial position remained strong at June 30, 2003. Reported net assets declined \$2.0 million from the prior year to \$261.9 million. Total revenues grew by \$2.6 million or 2.1% while total expenses increased by \$9.0 million or 7.7%. For the 2003 fiscal year, College finances supported 5% enrollment growth and expansion of student services, including establishment of a centralized call center to improve communications with students.

Overview of the Financial Statements

This annual report consists of three main parts – management's discussion and analysis (this section), the financial statements, and a section containing reports on the audit of federal grants and contracts received by the College.

The financial statements are presented in the format required by the Ohio Board of Regents and the Ohio Department of Budget and Management for all state-assisted two- and four-year colleges and universities in Ohio. The statements are:

- Statement of Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows

The statements are prepared on an accrual basis and present all assets and liabilities of the College, both financial and capital, and short and long term. They also present all revenues and expenses of the College during the year, regardless of when cash was received or paid.

Collectively, the statements provide a complete picture of the College's financial condition as of June 30, 2003 and 2002, and the results of its operations for the fiscal years then ended.

Net Assets

The College's total net assets decreased modestly in fiscal 2003, from \$263.9 million to \$261.9 million. This change resulted primarily from a net decrease in capital assets of \$2.2 million as a result of overall depreciation expense exceeding the capitalized value of new additions.

TABLE 1
NET ASSETS
(in millions of dollars)

	2003	2002	Percentage Change
Current assets	\$ 47.4	\$ 61.0	(22.3)%
Investments	113.4	102.4	10.7 %
Capital assets, net	<u>122.0</u>	<u>124.2</u>	(1.8)%
Total assets	282.8	287.6	(1.7)%
Current liabilities	17.2	20.2	(14.9)%
Long-term liabilities	<u>3.7</u>	<u>3.5</u>	5.7 %
Total liabilities	20.9	23.7	(11.8)%
Net assets:			
Invested in capital assets	122.0	124.2	(1.8)%
Restricted—expendable	1.8	2.1	(14.3)%
Unrestricted	<u>138.1</u>	<u>137.6</u>	0.4 %
Total net assets	<u>\$261.9</u>	<u>\$263.9</u>	(0.8)%

Revenues and Expenses

Fiscal year 2003 total revenues (operating, nonoperating and other) were \$124.1 million while total operating expenses were \$126.1 million, thus yielding a \$2.0 million decrease in net assets. This compared to a \$4.4 million increase in net assets in the prior year resulting from fiscal year 2002 total revenues of \$121.5 million less expenses of \$117.1 million. An analysis of significant changes is discussed below.

Operating Revenues:

- Operating revenues increased \$7.3 million or 16.7%. Of this amount, \$4.6 million resulted from additional federal, state and local grants and contracts. The majority of this revenue was attributable to federal Pell grants and State of Ohio Instructional grants, which are the College's two largest student financial aid sources.
- Also contributing to the increase was a \$2.1 million increase in net student tuition. This increase was due to a 5% increase in credit-hour enrollments and a 13% effective impact of tuition increases enacted at mid-year of fiscal 2002 and at the beginning of fiscal 2003. The tuition increases were necessary to offset cutbacks in state funding.

Operating Expenses:

- Operating expenses increased by \$9.0 million or 7.7%. A significant portion of this increase, across all categories, resulted from 5% enrollment growth and inflationary changes, including increases in salaries and wages and in health care insurance premiums. In light of reductions in state appropriations the College took measures to contain costs, including increasing the average class size.
- The Public Service category increased by \$1.5 million due to expenditures related to the Out-of-School Youth initiative. This community-partnered initiative is entirely funded by external grants and private contributions.
- Student Aid increased \$1.2 million or 21.1%. This reflects portions of financial aid provided to students for qualified living expenses. The increase was attributable to enrollment growth and a general increase in financial aid programs.

Nonoperating and Other Revenues:

- Nonoperating and other revenues declined \$4.7 million, principally due to a \$3.2 million reduction in capital grants and a \$1.1 million lower net increase in the fair market value of college investments as compared to prior year's net increase in fair value of investments. The reduction in capital grants was due to special one-time funds received in the prior year for a major telecommunications infrastructure project.
- The State of Ohio experienced significant revenue shortfalls during fiscal year 2003 due to a prolonged economic downturn. This led to two separate cuts in state appropriations in order to maintain a balanced state budget. Consequently, Sinclair's state appropriations increased by only \$0.3 million or 0.7%, in spite of a 5% increase in enrollments. On a per student basis, fiscal year 2003 state appropriations were 4% lower than fiscal year 2002. The shortfall in state appropriations was a major contributing factor to the decrease in fiscal year 2003 net assets.
- County tax levy receipts were down slightly for fiscal year 2003 primarily due to a reduction in personal property tax collections.

TABLE 2
REVENUES, EXPENSES AND CHANGES IN NET ASSETS
(in millions of dollars)

	2003	2002	<u>Percentage Change</u>
			2002-2003
Operating revenues:			
Student tuition and fees, net of grants and scholarships	\$ 17.4	\$ 15.3	13.7 %
Federal grants and contracts	17.7	13.8	28.3 %
State and local grants and contracts	4.9	4.2	16.7 %
Nongovernmental grants and contracts	3.3	2.9	13.8 %
Sales and services of educational departments	0.5	0.4	25.0 %
Auxiliary enterprises, net of grants and scholarships	7.1	6.9	2.9 %
Other	0.2	0.3	(33.3)%
	<hr/>	<hr/>	
Total operating revenues	51.1	43.8	16.7 %
Operating expenses:			
Instruction	54.5	51.0	6.9 %
Public service	4.7	3.2	46.9 %
Academic support	8.5	8.5	0.0 %
Student services	10.0	10.1	(1.0)%
Institutional support	10.8	10.0	8.0 %
Plant operations and maintenance	14.4	13.3	8.3 %
Depreciation	7.4	7.1	4.2 %
Student aid	6.9	5.7	21.1 %
Auxiliary enterprises	8.9	8.2	8.5 %
	<hr/>	<hr/>	
Total operating expenses	126.1	117.1	7.7 %
Nonoperating and other revenues:			
State appropriations	40.5	40.2	0.7 %
County tax levy receipts	21.2	21.4	(0.9)%
Investment income	7.2	7.7	(6.5)%
Net increase in the fair value of investments	1.2	2.3	(47.8)%
Capital grants	2.9	6.1	(52.5)%
	<hr/>	<hr/>	
Total nonoperating and other revenues	73.0	77.7	(6.0)%
	<hr/>	<hr/>	
Increase (decrease) in net assets	\$ (2.0)	\$ 4.4	(145.5)%

Figure 2.1
Sinclair Community College
Sources of Revenue
for Fiscal Year 2003

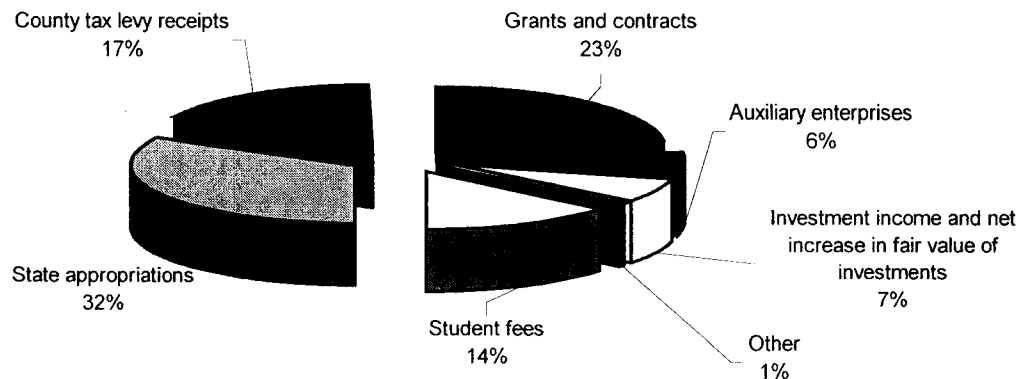
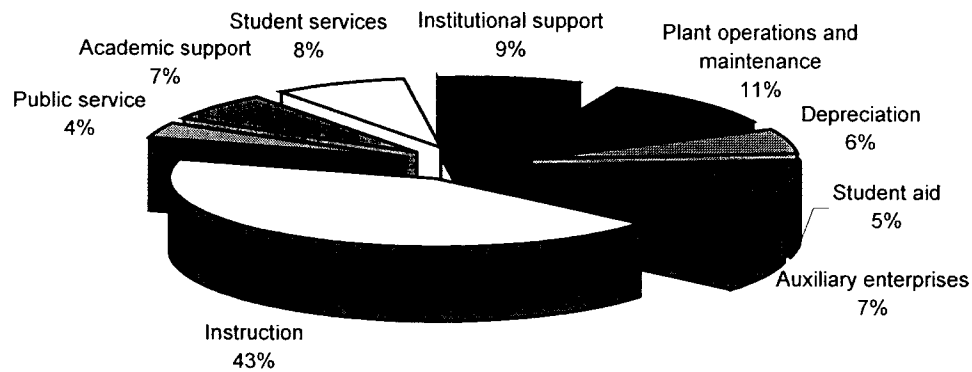


Figure 2.2
Sinclair Community College
Expenditures By Function
for Fiscal Year 2003



Economic Factors and Next Year's Budget

- The most significant economic issue for Sinclair and other higher education institutions has been a prolonged downturn in the State of Ohio's economy and revenue collections, which has resulted in cutbacks in state appropriations for fiscal years 2002, 2003 and 2004. In nominal terms, state appropriations per full-time equivalent (FTE) student have declined \$588, or 15.7%, from fiscal year 2001 actual (\$3,765) to the latest fiscal year 2004 projection (\$3,177). This translates into a total reduction of \$7.7 million versus what would have been received for fiscal year 2004 had per student state funding allocations remained at fiscal year 2001 levels and holding enrollment assumptions for fiscal year 2004 unchanged.

- Since state appropriations represent the largest revenue source for Sinclair, the College has had to implement another 6.0% tuition increase effective summer quarter 2003 and has taken measures to further control costs. In spite of recent tuition increases, the College's tuition for Montgomery County residents of \$36.85 per credit hour is the lowest among all public State of Ohio colleges.
- For fiscal year 2004, the College is anticipating additional growth in student enrollments of approximately 3%. This will likely exert further cost pressures relative to maintaining adequate staffing, space and support services. Also continuing to cause concern are escalating increases in health care costs.

Capital Assets

Land value increased \$.2 million, primarily due to the acquisition of small properties near the campus. New additions to equipment inventory totaled \$1.9 million, but depreciation expense lowered the net equipment inventory by \$.4 million.

TABLE 3
CAPITAL ASSETS
(net of depreciation, in millions of dollars)

	2003	2002	<u>Percentage Change</u>
			2002-2003
Land	\$ 10.0	\$ 9.8	2.0 %
Buildings and improvements	102.2	104.2	(1.9)%
Equipment	8.3	8.7	(4.6)%
Library books	<u>1.5</u>	<u>1.5</u>	0.0 %
	<u>\$ 122.0</u>	<u>\$ 124.2</u>	(1.8)%

SINCLAIR COMMUNITY COLLEGE

STATEMENTS OF NET ASSETS JUNE 30, 2003 AND 2002

ASSETS	2003	2002
CURRENT ASSETS:		
Cash and cash equivalents	\$ 18,102,510	\$ 28,119,749
Accounts receivable, net	6,048,203	9,899,719
Prepaid expenses	687,440	298,932
Interest receivable	557,150	572,473
Property tax levy receivable	21,054,345	21,186,504
Inventories, at average cost	<u>975,974</u>	<u>949,136</u>
Total current assets	<u>47,425,622</u>	<u>61,026,513</u>
NONCURRENT ASSETS:		
Investments	113,376,728	102,410,618
Capital assets, net	<u>121,984,575</u>	<u>124,212,477</u>
Total noncurrent assets	<u>235,361,303</u>	<u>226,623,095</u>
Total assets	<u><u>\$ 282,786,925</u></u>	<u><u>\$ 287,649,608</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accruals	\$ 5,944,953	\$ 5,582,724
Accrued salaries, wages and benefits	8,339,417	7,755,411
Deferred student fee income	2,220,565	4,151,379
Deposits	<u>666,838</u>	<u>2,775,290</u>
Total current liabilities	17,171,773	20,264,804
NONCURRENT LIABILITIES—		
Accrued salaries, wages and benefits	<u>3,726,878</u>	<u>3,453,827</u>
Total liabilities	<u>20,898,651</u>	<u>23,718,631</u>
NET ASSETS:		
Invested in capital assets	121,984,575	124,212,477
Restricted—expendable	1,823,336	2,084,154
Unrestricted	<u>138,080,363</u>	<u>137,634,346</u>
Total net assets	<u>261,888,274</u>	<u>263,930,977</u>
Total liabilities and net assets	<u><u>\$ 282,786,925</u></u>	<u><u>\$ 287,649,608</u></u>

The accompanying notes are an integral part of the financial statements.

SINCLAIR COMMUNITY COLLEGE

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2003 AND 2002

REVENUES	2003	2002
Operating revenues:		
Student tuition and fees	\$ 25,388,488	\$ 21,549,957
Less grants and scholarships	(7,950,071)	(6,261,595)
Student tuition and fees net of grants and scholarships	17,438,417	15,288,362
Federal grants and contracts	17,715,405	13,836,763
State and local grants and contracts	4,946,676	4,173,339
Nongovernmental grants and contracts	3,248,707	2,854,558
Sales and services of educational departments	523,561	446,961
Auxiliary enterprises:		
Food service	243,519	219,936
Bookstore (net of grants and scholarships of \$2,393,046 and \$1,838,455 in 2003 and 2002, respectively)	6,221,730	6,196,184
Parking	579,043	539,792
Other operating revenues	201,993	270,601
Total operating revenues	51,119,051	43,826,496
EXPENSES		
Operating expenses:		
Education and general:		
Instruction	54,453,453	51,052,494
Public service	4,692,198	3,241,490
Academic support	8,497,712	8,469,805
Student services	10,034,691	10,058,500
Institutional support	10,847,052	10,014,439
Plant operations and maintenance	14,444,692	13,266,787
Depreciation	7,410,458	7,089,654
Student aid	6,867,029	5,713,560
Auxiliary enterprises:		
Food service	171,988	240,865
Bookstore	7,818,144	7,372,435
Parking	897,168	641,717
Total operating expenses	126,134,585	117,161,746
Operating loss	(75,015,534)	(73,335,250)
Nonoperating revenues:		
State appropriations	40,546,443	40,219,932
Property tax levy receipts	21,165,273	21,438,306
Investment income	7,195,380	7,735,309
Net increase in the fair value of investments	1,196,148	2,262,896
Total nonoperating revenues	70,103,244	71,656,443
Income (loss) before other revenues, expenses, gains or losses	(4,912,290)	(1,678,807)
Other revenues—capital grants	2,869,587	6,121,803
INCREASE (DECREASE) IN NET ASSETS	(2,042,703)	4,442,996
NET ASSETS:		
Beginning of year	263,930,977	259,487,981
End of year	\$ 261,888,274	\$ 263,930,977

The accompanying notes are an integral part of the financial statements.

SINCLAIR COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2003 AND 2002

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and fees, net	\$ 17,168,201	\$ 15,467,689
Grants and contracts	27,485,637	19,284,712
Payments to vendors, employees and recipients of grants and scholarships	(117,685,621)	(108,608,032)
Auxiliary enterprise charges	7,107,560	6,940,794
Sales and services of educational departments	478,969	654,299
Other receipts	147,990	276,422
Net cash used in operating activities	<u>(65,297,264)</u>	<u>(65,984,116)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Direct student loan receipts	6,247,177	5,120,804
Direct student loan disbursements	(5,830,347)	(5,053,992)
Deposits	(2,108,452)	(2,753,081)
State appropriations	40,546,443	40,219,932
Property tax levy receipts	21,297,432	21,438,306
Net cash provided by non-capital financing activities	<u>60,152,253</u>	<u>58,971,969</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital grants	2,869,587	6,121,803
Purchases of capital assets	(5,182,556)	(8,286,314)
Net cash used in capital and related financing activities	<u>(2,312,969)</u>	<u>(2,164,511)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities of investments	45,462,768	29,466,213
Interest on investments	7,185,332	8,181,211
Purchase of investments	(55,207,359)	(26,338,360)
Net cash provided by (used in) investing activities	<u>(2,559,259)</u>	<u>11,309,064</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,017,239)	2,132,406
CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>28,119,749</u>	<u>25,987,343</u>
End of year	<u>\$ 18,102,510</u>	<u>\$ 28,119,749</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES—		
Operating loss	\$ (75,015,534)	\$ (73,335,250)
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Depreciation	7,410,458	7,089,654
Changes in assets and liabilities:		
Accounts receivable	3,145,332	(2,449,547)
Prepaid expenses	(388,508)	(242,562)
Inventory	(26,838)	116,664
Accounts payable	651,583	17,419
Accrued salaries and compensated absences	857,057	1,537,943
Deferred revenue	(1,930,814)	1,281,563
Net cash used in operating activities	<u>\$ (65,297,264)</u>	<u>\$ (65,984,116)</u>

The accompanying notes are an integral part of the financial statements.

SINCLAIR COMMUNITY COLLEGE

NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2003 AND 2002

A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization—Sinclair Community College (the “College”), a two-year institution of higher education, began operations as a public community college in 1966. The College is operated by the Montgomery County Community College District, which was established by the voters of Montgomery County and is exempt from federal income taxes pursuant to provisions of Section 115 of the Internal Revenue Code. The College offers associate degrees and continuing education in the areas of allied health, business, engineering and industrial technologies, fine and performing arts, liberal arts and sciences, and extended learning and human services technology.

Accrual Accounting—The accompanying financial statements have been prepared on the full accrual basis of accounting, whereby revenue is recognized in the period earned, or in the case of advances from other governments, when all eligibility requirements are met in accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Expenses are recognized when the related liabilities are incurred.

Financial Statements—The College reports as “business-type activities,” as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. In accordance with GASB Statement No. 35, the Statements of Net Assets, the Statements of Revenues, Expenses and Changes in Net Assets, and the Statements of Cash Flows are reported on a consolidated basis.

Pursuant to GASB Statement No. 35, *Basic Financial Statements—and Management’s Discussion and Analysis—for Public Colleges and Universities*, the College follows GASB guidance as applicable to its business-type activities, and Financial Accounting Standards Board (“FASB”) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

Net Asset Classifications—In accordance with GASB Statement No. 35 guidelines, the College’s resources are classified into the following three net asset categories:

Invested in Capital Assets – capitalized physical assets, net of accumulated depreciation – see Note C.

Restricted – Expendable – net assets related to grants and contracts activity, whose use is subject to externally-imposed restrictions.

Unrestricted – net assets that are not subject to externally-imposed restrictions. Unrestricted net assets may be designated for specific purposes by the Board of Trustees. Substantially all of the College’s unrestricted net assets are designated for future uses or contingences – see Note B.

Operating Versus Nonoperating Revenues and Expenses—The College defines operating activities as reported on the Statement of Revenues, Expenses and Changes in Net Assets as those that generally result from exchange transactions such as payments received for providing goods or services and payments made for goods or services received. All of the College’s expenses are from exchange transactions. Certain significant revenue streams relied on for operations are reported as nonoperating revenues as required by GASB Statement No. 35, including state appropriations, county property tax levy receipts, investment income, and state capital grants.

Cash and Cash Equivalents can include cash, certificates of deposit and money market funds, stated at cost, which approximates market.

Deferred Student Fee Income consists of the unearned portion of student tuition and fees for the Summer 2003 session, which began on June 18, 2003. Prior to 2003, the College also recorded student tuition and fees resulting from early registration for the Fall session in deferred student fee income.

Capital Assets are recorded at cost or, if acquired by gift, at fair value at the date of the gift. When capital assets are sold or otherwise disposed of, the net carrying value of such assets is removed from the accounts and the Invested in Capital Assets component of Net Assets is adjusted as appropriate. Capital assets, with the exception of land, are depreciated on the straight-line method over the following estimated useful lives:

Buildings and improvements	10-40 years
Equipment and fixtures	3-20 years
Library materials	10 years

Grants and Scholarships—Student Tuition and Fees and Bookstore revenues are presented net of grants and scholarships applied directly to student accounts. Grants and scholarships consist primarily of awards to students from the Federal Pell Grant Program and the Ohio Instructional Grant Program. Payments made directly to students from grants and scholarships are presented as Student Aid.

Compensated Absences—Administrative and professional employees earn vacation leave at a rate of 13.33 hours for each month of service up to a maximum of 240 hours. Support staff earn vacation at a rate of 8 hours per month for the first 5 years of service up to a maximum of 240 hours. After 5 years of continuous employment, an additional 8 hours per year (.66 hours per month) are added to the accrual rate each year until the maximum monthly accrual rate of 13.33 hours is reached. Upon termination of employment, an employee is entitled to payment for all accrued vacation hours. The College has accrued a vacation liability for all employees equal to amounts earned.

All College employees earn 10 hours of sick leave for each month of service up to a maximum of 120 hours per year. Unused sick leave accumulates up to a maximum of 1,200 hours. This sick leave will either be absorbed by time off due to illness or injury, or within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave up to a maximum payout of 240 hours. The College has accrued a sick leave liability for all employees equal to the maximum payout upon retirement.

Use of Estimates—The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Reclassification—Certain reclassifications have been made to conform balances with the 2003 presentation.

Accounting Pronouncements—Effective July 1, 2001, the College adopted GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and GASB Statement No. 35. Also effective July 1, 2001, the College adopted two related GASB Statements: GASB Statement No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. These statements established comprehensive new financial reporting requirements for governmental colleges and universities throughout the United States.

GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14*, was issued in May 2002. This Statement amends Statement No. 14 to provide additional guidance to determine whether certain organizations, such as not-for-profit foundations, for which the primary institution is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the primary entity. Generally, this statement requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of an institution. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2003. The College believes, based on an assessment of the Statement, that the Sinclair Foundation will be included as a component unit of the College in its financial statements beginning in fiscal year 2004. For the year ended December 31, 2002, the Sinclair Foundation reported net assets of \$16,727,000.

B. CASH AND INVESTMENTS

In accordance with the State of Ohio’s and the College’s policy, the College is authorized to invest cash in certificates of deposit, repurchase agreements, United States treasury securities, federal government agency securities backed by the full faith of the government, Ohio municipal securities and the State Treasurer’s investment pool. The classification of cash and cash equivalents and investments in the financial statements is based on criteria set forth in GASB Statement No. 9. Cash equivalents are defined to include investments with original maturities of three months or less. Consistent with this definition, College funds on deposit in the State Treasurer’s investment pool are classified as cash equivalents in the balance sheet. However, for GASB Statement No. 3 discussion purposes (see below), the funds in the State Treasurer’s investment pool are classified as investments.

Deposits—At June 30, 2003, the carrying amount of the College’s deposits in all funds was \$18,101,507 (included in cash and cash equivalents in the balance sheet) and the bank balance was \$21,068,398. The difference between carrying amount and bank balance was primarily due to outstanding checks at June 30, 2003. Of the bank balance, \$735,494 was covered by federal depository insurance or by collateral held by the College’s agent in the College’s name. The remaining balance of \$20,332,904 was uninsured. The uninsured deposits are held in accounts collateralized by a pooled collateral account at the Federal Reserve Banks of Cleveland and Cincinnati. These arrangements are in compliance with the Ohio Revised Code.

Investments—Investments are stated at their fair value of \$113,377,731 (amortized cost basis of \$108,739,269). The College’s investments include \$113,376,728 invested in Government National Mortgage Association pools and classified as category 1 risk. The term “risk” in this context does not refer to market risk of gain or loss in value; rather, it refers to the safety of the individual securities while held in safekeeping. In general, Category 1 includes investments that are insured or registered or for which the securities are held by the College or its agent in the College’s name. The remaining \$1,003 was on deposit in the State Treasurer’s investment pool and valued at the pool’s share price, which is the price for which the investment could be sold on June 30, 2003. GASB Statement No. 3 does not require this investment to be categorized into risk categories. The College has the ability and intent to hold all investment securities until maturity; therefore, it is not anticipated that market gains or losses will be realized.

The College’s cash and investments help support major allocated net assets designated by the Board of Trustees or restricted by outside parties for the following purposes:

Capital improvements, facility renovations, equipment	\$ 66,357,830
Tuition stabilization, unplanned income decline, uninsured losses, other contingencies and initiatives	53,660,117
Auxiliary enterprises	6,595,645
Restricted grants and contracts	1,823,336
Board designated endowment	<u>11,286,415</u>
Total allocated net assets	<u><u>\$139,723,343</u></u>

C. CAPITAL ASSETS

Capital assets activity for the years ended June 30, 2003 and 2002, is summarized as follows:

2003	Beginning Balance	Additions	Retirements	Ending Balance
Land and improvements	\$ 9,764,295	\$ 243,665	\$ -	\$ 10,007,960
Buildings and improvements	181,604,512	2,927,813		184,532,325
Equipment and fixtures	14,553,869	1,847,993	444,342	15,957,520
Library materials	<u>4,859,034</u>	<u>192,055</u>	<u>327,015</u>	<u>4,724,074</u>
Total	<u>210,781,710</u>	<u>5,211,526</u>	<u>771,357</u>	<u>215,221,879</u>
Less accumulated depreciation:				
Buildings and improvements	77,428,447	4,899,296		82,327,743
Equipment and fixtures	5,843,915	2,099,514	297,646	7,645,783
Library materials	<u>3,296,871</u>	<u>293,922</u>	<u>327,015</u>	<u>3,263,778</u>
Total accumulated depreciation	<u>86,569,233</u>	<u>7,292,732</u>	<u>624,661</u>	<u>93,237,304</u>
Capital assets, net	<u><u>\$ 124,212,477</u></u>	<u><u>\$ (2,081,206)</u></u>	<u><u>\$ 146,696</u></u>	<u><u>\$ 121,984,575</u></u>

2002	Beginning Balance	Additions	Retirements	Ending Balance
Land and improvements	\$ 8,335,275	\$ 1,429,020	\$ -	\$ 9,764,295
Buildings and improvements	178,847,903	2,756,609		181,604,512
Equipment and fixtures	11,049,313	3,961,768	457,212	14,553,869
Library materials	4,714,224	209,518	64,708	4,859,034
Total	<u>202,946,715</u>	<u>8,356,915</u>	<u>521,920</u>	<u>210,781,710</u>
Less accumulated depreciation:				
Buildings and improvements	72,567,607	4,860,840		77,428,447
Equipment and fixtures	4,296,928	1,727,235	180,248	5,843,915
Library materials	3,066,363	295,216	64,708	3,296,871
Total accumulated depreciation	<u>79,930,898</u>	<u>6,883,291</u>	<u>244,956</u>	<u>86,569,233</u>
Capital assets, net	<u>\$ 123,015,817</u>	<u>\$ 1,473,624</u>	<u>\$ 276,964</u>	<u>\$ 124,212,477</u>

D. LONG-TERM LIABILITIES

Long-term liabilities activity for the years ended June 30, 2003 and 2002, is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
2003					
Compensated absences	<u>\$3,596,795</u>	<u>\$414,908</u>	<u>\$158,729</u>	<u>\$3,852,974</u>	<u>\$126,096</u>
2002					
Compensated absences	<u>\$3,575,164</u>	<u>\$265,246</u>	<u>\$243,615</u>	<u>\$3,596,795</u>	<u>\$142,968</u>

Long-term liabilities are primarily accumulated sick leave payable to employees upon retirement. See Note A – *Compensated Absences* for further discussion.

E. STATE AND COUNTY SUPPORT

The College is an institution of higher education that receives a state-assisted student-based subsidy from the State of Ohio using a formula devised by the Ohio Board of Regents and general support from a Montgomery County, Ohio property tax levy (2-1/2 mills commencing January 1, 1999 and ending December 31, 2008).

In addition to student subsidies, the State of Ohio provides a portion of the funding for the construction of major plant facilities on the College campus, as well as for the renovation of facilities and the purchase of equipment.

F. LEASE OBLIGATIONS

The College leases various buildings, office space and equipment under operating lease agreements. These facilities and equipment are not recorded as assets on the balance sheet. The total rental expense under these agreements was \$599,625 and \$576,083 for the years ended June 30, 2003 and 2002, respectively.

Future minimum lease payments for all significant operating leases with initial or remaining terms in excess of one year as of June 30, 2003, are as follows:

Years ending June 30,	
2004	\$ 313,438
2005	221,938
2006	99,806
2007	60,505
2008	31,402
2009-2013	<u>3,000</u>
Total minimum lease payments	<u>\$ 730,089</u>

G. RETIREMENT PLANS

The College contributes to the State Teachers Retirement System of Ohio (“STRS”) and the Ohio Public Employees Retirement System (“OPERS”), which are statewide cost-sharing multiple-employer plans. OPERS and STRS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Faculty and some administrators are covered by STRS and all other employees are covered by OPERS. The College’s law enforcement officers are members of the OPERS law enforcement division, which provides potentially greater retirement benefits and earlier benefit eligibility than are available for other OPERS members.

Authority to establish and amend benefits is provided by Ohio Revised Code, Chapters 145 and 3307, for OPERS and STRS, respectively. The financial statements and required supplementary statements for OPERS and STRS are made available for public inspection. The reports may be obtained by writing or calling:

OPERS	STRS
277 East Town Street	275 East Broad Street
Columbus, OH 43215-4642	Columbus, OH 43215-3771
(614) 222-6705	(614) 227-4002
(800) 222-PERS (7377)	

OPERS plan members are required to contribute 8.5% (10.1% for law enforcement officers) of their annual salary, and STRS members contribute 9.3% (10% effective July 1, 2003). The College is required to contribute 13.55% (16.70% for law enforcement officers) and 14.00% of annual covered payroll for OPERS and STRS, respectively. The contribution requirements of plan members and the College are established and may be amended by state statute.

The College has established the Sinclair Community College Alternative Retirement Plan (the ARP) as required by Chapter 3305 of the Ohio Revised Code. The ARP had an effective date of March 31, 1999.

ARPs for public colleges and universities were created in Ohio law to provide employees with an alternative to OPERS and STRS. Key features are:

- ARPs consist of insurance carrier annuity contracts that provide retirement and death benefits but no health or disability benefits. The Ohio Department of Insurance has approved nine companies to serve as ARP providers.
- Eligibility is limited to tenure track faculty and certain administrative employees. Eligibility is further limited to new hires and to those with less than five years of service credit in their respective retirement systems on certain statutory dates.
- Employees electing the ARP instead of STRS are required to contribute 9.3% of salary. The College is required to contribute 3.5% to STRS, and the College's discretionary contribution to the ARP has been set at 10.5%.
- Employees electing the ARP instead of OPERS are required to contribute 8.5% of salary. The College's discretionary contribution to the ARP has been set at 13.55%.

The College's contributions to OPERS, STRS and ARP required and made for the years ended June 30, 2003, 2002, and 2001 were as follows:

Year	Contribution		
	OPERS	STRS	ARP
2003	\$3,673,936	\$4,827,659	\$174,172
2002	3,441,293	4,605,624	130,180
2001	2,618,918	3,949,684	88,747

H. OTHER POSTEMPLOYMENT BENEFITS

OPERS provides postretirement health care coverage to age and service retirees (and their dependents) with 10 or more years of qualifying Ohio service credit while STRS provides these benefits to all retirees with 5 or more years of service credit and the dependents of the STRS retirees with 15 or more years of service credit can obtain health care coverage through STRS at full cost. Health care coverage for disability recipients and primary survivor recipients is also available under OPERS and STRS.

A portion of each employer's contributions is set aside for the funding of postretirement health care. For STRS, this rate was 4.5% of the total 14.00% (see Note G). The rate for OPERS and OPERS law enforcement division was 5% of the totals 13.55% and 16.70%, respectively. The Ohio Revised Code provides the statutory authority for public employers to fund postretirement health care through their contributions to OPERS and STRS.

Postretirement health care under OPERS is advance-funded on an actuarially determined basis. The actuarial value of OPERS net assets available for Other Postemployment Benefits (OPEB) at December 31, 2001, is \$11.6 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16.4 billion and \$4.8 billion, respectively. The number of OPERS active contributing participants was 402,041 for the year ended December 31, 2001. For the year ended June 30, 2003, the College contributed \$1,347,286 to OPERS for OPEB funding, which is equal to the actuarially required contributions of the plan.

Postretirement health care under STRS is financed on a pay-as-you-go basis. Assets available in the health care reserve fund for STRS amounted to \$3.011 billion as of June 30, 2002. Eligible benefit recipients reported for STRS totaled 105,300 as of June 30, 2002. For the year ended June 30, 2003, the College contributed \$1,551,747 to STRS to fund these benefits.

I. INSURANCE

The College maintains comprehensive and umbrella insurance coverage with private carriers for real property, building contents, vehicles and liability. Vehicle policies include liability coverage for bodily injury and property damage. The College also carries professional coverage for employees and its Board of Trustees. The College retains a consulting firm to perform an annual examination of all insurance policies.

J. CONTINGENCIES

The College receives significant financial assistance from numerous federal, state and local 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 is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the College. It is the opinion of management that any potential disallowance of claims would not have a material effect on the financial statements.

* * * * *

SINCLAIR COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2003

Federal Grant or Pass-Through Grant or Program Title	Pass-Through Identifying Number	Federal CFDA Number or Grant Number	Federal Expenditures
U. S. Department of Education:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grant		84.007	\$ 250,000
Federal Work Study Program		84.033	58,277
Federal Pell Grant Program		84.063	11,977,234
Federal Direct Loan Program		84.268	<u>5,963,915</u>
Total student financial assistance cluster			<u>18,249,426</u>
Trio Cluster:			
Trio Upward Bound		84.047	265,908
Trio Student Support Services		84.042	<u>251,624</u>
Total trio cluster			<u>517,532</u>
Adult Education State Grant Program, pass-through from State of Ohio Department of Education	063362-AB-SI-2002, 063362-AB-SI-2002 C, 063362-AB-SL-2002, 063362-AB-SL-2002C 063362-AB-SL-2003	84.002	356,662
Vocational Education Basic Grants to States, pass-through from State of Ohio Department of Education	20-C2 2003	84.048	242,164
Tech-Prep Education, pass-through from State of Ohio Department of Education	3E-00 2002 and 3ETC-2003	84.243	250,000
Child Care Access Means Parents in School		84.335	18,630
National Science Foundation—Education and Human Resources		47.076	977,674
U.S. Department of Health and Human Services—			
Temporary Assistance for Needy Families, pass-through from Montgomery County Department of Human Services	Resolution 02-2145 Resolution 02-1153	93.558	1,294,838
U.S. Department of Labor:			
Native American Employment and Training Program, pass-through from Montgomery County Department of Human Services	Resolution 02-1353	17.251	104,828
Workforce Investment Act Dislocated Workers, pass-through from Montgomery County Department of Human Services	Resolution 03-813	17.260	890,961
Employment and Training Administration Pilots, Demonstrations, and Research Projects		17.261	408,180

(Continued)

SINCLAIR COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2003

Federal Grant or Pass-Through Grant or Program Title	Pass-Through Identifying Number	Federal CFDA Number or Grant Number	Federal Expenditures
National Urban Search and Rescue Response System, pass-through from Miami Valley Fire/EMS Alliance	9062000	83.526	\$ 7,052
U.S. Department of Agriculture—Summer Food Service Program for Children, pass-through from State of Ohio Department of Education	23 UN 2002	10.559	1,166
U.S. Department of Justice: Bulletproof Vest Partnership Program		16.607	750
Juvenile Accountability Incentive Block Grants, pass-through from Montgomery County Department of Human Services	Resolution 02-1075	16.523	119,012
National Aeronautics and Space Administration—Aerospace Education Services Program, pass-through from Cuyahoga Community College	NAS 3-02123-SCC	43.001	<u>181,477</u>
Total Federal Awards			<u>\$23,620,352</u>

See note to the Schedule of Expenditures of Federal Awards.

(Concluded)

SINCLAIR COMMUNITY COLLEGE

NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2003

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards reflects the expenditures of Sinclair Community College under programs financed by the U.S. government for the year ended June 30, 2003 and is prepared on the accrual basis of accounting. Because the schedule presents only a selected portion of the operations included in the College's financial statements, it is not intended to, and does not, present the financial position or changes in net assets.

For purposes of the schedule, federal awards include the following:

- Direct federal awards
- Pass-through funds received from other organizations under federally sponsored programs conducted by those organizations.



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the President and Board of Trustees
Sinclair Community College and
Betty Montgomery, Auditor of State

We have audited the financial statements of Sinclair Community College (the "College") as of and for the year ended June 30, 2003, and have issued our report thereon dated October 7, 2003. We conducted our audit 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.

Compliance

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the College's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the College's internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we have communicated other observations involving the internal control over financial reporting to the management of the College in a separate letter dated October 7, 2003.

* * * * *

This report is intended solely for the information and use of the Board of Trustees, the management of the College, the U.S. Department of Education, other applicable U.S. Government Agencies, and the Auditor of the State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

October 7, 2003



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM

To the President and Board of Trustees
Sinclair Community College and
Betty Montgomery, Auditor of State

Compliance

We have audited the compliance of Sinclair Community College (the "College") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The College's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the College's compliance with those requirements.

In our opinion, the College complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

Internal Control Over Compliance

The management of the College is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the College's internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the College's internal control over compliance and its operation that we consider to be material weaknesses.

* * * * *

This report is intended solely for the information and use of the Board of Trustees, the management of the College, the U.S. Department of Education, other applicable U.S. Government Agencies, and the Auditor of the State of Ohio and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

October 7, 2003

SINCLAIR COMMUNITY COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2003

1. Summary of auditors' results
 - Type of Report on the Financial Statements – Unqualified Opinion
 - Material Weaknesses in Internal Control Over Financial Reporting – None noted
 - Reportable Conditions in Internal Control over Financial Reporting Identified which are not Considered to be Material Weaknesses – None reported
 - Instances of Noncompliance that were Material to the Financial Statements – None
 - Material Weakness in Internal Control Over Compliance With Requirements Applicable to Major Federal Awards Programs – None
 - Reportable Conditions in Internal Control over Compliance with Requirements Applicable to Major Federal Awards Programs Identified which are not Considered to be Material Weaknesses – None reported
 - Type of Report on Compliance for Major Programs – Unqualified
 - Audit Findings Required by OMB A-133 to be Reported by the Auditor – None
 - Major Programs – The two major programs were (i) student financial assistance which encompasses those Department of Education programs included in this cluster as shown on the Schedule of Expenditures of Federal Awards (CFDA Nos. 84.007, 84.033, 84.063 and 84.268); (ii) Workforce Investment Act Dislocated Workers (CFDA No.17.260).
 - Dollar Threshold Used to Distinguish Between Type A and Type B programs – \$708,611
 - Low-Risk Auditee – The College qualified as a low-risk auditee; however, student financial assistance was considered a high-risk Type A program, which resulted in audit coverage in excess of 50% of total Federal expenditures.
2. Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Government Auditing Standards – No matters are reportable
3. Findings and Questioned Costs for Federal Awards – No matters are reportable

ADDITIONAL INFORMATION

SINCLAIR COMMUNITY COLLEGE

ADDITIONAL INFORMATION - COLLEGE OFFICIALS, ETC. AS OF JUNE 30, 2003

Board of Trustees	Expiration of Term
Jerome F. Tatar, Chairman	July 1, 2005
Marva Cosby, Vice Chairman	July 30, 2008
Gerald Hauer	October 1, 2004
Katherine Hollingsworth	July 1, 2005
William H. Krull II	October 12, 2007
Lawrence Porter	July 9, 2007
Timothy J. Schriener	October 12, 2007
Ethel M. Washington	October 12, 2007
Joyce Young	October 1, 2004

College Administration

Dr. Ned J. Sifferlen, President

Dr. Steven L. Johnson, Provost and President-Elect

Deirdre L. Delaney, Vice President for Business Operations

Michael W. Plourde, Director of Accounting Services

Charles E. Giles, Director of Business Services

William J. Boudouris, Director of Budget and Analysis

Bonding

All employees of the College are bonded by the Continental Casualty Company to an aggregate limit of \$5,000,000.

College Location

Sinclair Community College is located at 444 West Third Street in Dayton, Ohio.



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

SINCLAIR COMMUNITY COLLEGE

MONTGOMERY COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 20, 2003**