



# **ANNUAL FINANCIAL REPORT**

**Year Ending June 30, 2020**

**Fiscal Year  
2019-2020**



120 White Bridge Road  
Nashville, TN 37209

# NASHVILLE STATE COMMUNITY COLLEGE

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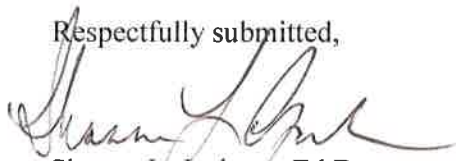
November 19, 2020

Dr. Flora W. Tydings, Chancellor  
Tennessee Board of Regents  
1 Bridgestone Park, Third Floor  
Nashville, TN 37214

Dear Chancellor Tydings:

Presented herewith is the Annual Financial Report for Nashville State Community College for the fiscal year ending June 30, 2020.

Respectfully submitted,



Shanna L. Jackson, Ed.D.  
President

lwr

Attachments



November 19, 2020

Dr. Shanna L. Jackson, President  
Nashville State Community College  
120 White Bridge Road  
Nashville, TN 37209


Dear Dr. Jackson:

The unaudited financial statements of Nashville State Community College for the year ended June 30, 2020, are attached, as are certain schedules to support these statements. The most recent certified audit was for the fiscal year ended June 30, 2019.

Statements presented herein follow the generally accepted accounting principles for colleges and universities as prescribed by the Governmental Accounting Standards Board (GASB); in accordance with GASB Statement 35, the institution uses the AICPA College Guide model for accounting and financial reporting.

Hopefully, these comments and the statements following will provide the necessary information to permit your evaluation of the school's financial position.

Sincerely,



Mary M. Gross  
Vice President  
Finance & Administrative Services

lwr

Attachments

# **NASHVILLE STATE COMMUNITY COLLEGE**

## **Management's Discussion and Analysis**

### **June 30, 2020**

This section of Nashville State Community College's annual financial report presents a discussion and analysis of the financial performance of the College during the fiscal year ended June 30, 2020, with comparative information presented for the fiscal years ended June 30, 2019. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with the financial statements and notes. The financial statements, notes, and this discussion are the responsibility of management.

The College has one discretely presented component unit, the Nashville State Community College Foundation. More detailed information about the Foundation is presented in Note 18 to the financial statements. This discussion and analysis focus on the College and does not include the Foundation.

#### **Overview of the Financial Statements**

The financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for public colleges and universities. The financial statements are presented on a consolidated basis to focus on the College as a whole. The full scope of the College's activities is considered to be a single business-type activity, and accordingly, is reported within a single column in the basic financial statements.

The College's financial report includes the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. Notes to the financial statements are also presented to provide additional information that is essential to a full understanding of the financial statements.

#### **The Statement of Net Position**

The Statement of Net Position is a point in time financial statement. The Statement of Net Position presents the financial position of the College at the end of the fiscal year. To aid the reader in determining the College's ability to meet immediate and future obligations, the statement includes all assets, liabilities, deferred outflows/inflows, and net position of the College and segregates the assets and liabilities into current and noncurrent components. Current assets are those that are available to satisfy current liabilities, inclusive of assets that will be converted to cash within one year. Current liabilities are those that will be paid within one year. The Statement of Net Position is prepared under the accrual basis of accounting; assets and liabilities are recognized when goods or services are provided or received despite when cash is actually exchanged.

From the data presented, readers of the statement are able to determine the assets available to continue the operations of the College. They are also able to determine how much the College owes vendors, lenders, and others. Net position represents the difference between the College's assets and liabilities, along with the difference between deferred outflows and deferred inflows, and is one indicator of the College's current financial condition.

The Statement of Net Position also indicates the availability of net position for expenditure by the College. Net position is divided into three major categories. The first category, net investment in capital assets, represents the College's total investment in property, plant, and equipment, net of outstanding debt obligations related to these capital assets. To the extent debt or deferred inflows of resources has been incurred but not yet expended for capital assets, such amounts are not included. The next category is restricted net position, which is sub-divided into two categories, nonexpendable and expendable. Nonexpendable restricted net position includes endowment and similar resources whose use is limited by donors or other outside sources and as a condition of the gift, the principal is to be maintained in perpetuity. Expendable restricted net position is available for expenditure by the College but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the resources. The final category is unrestricted net position. Unrestricted net position is available to the College for any lawful purpose of the College.

The following table summarizes the College's assets, liabilities, deferred outflows/inflows, and net position at June 30, 2020, and June 30, 2019.

<b>Nashville State Community College</b> <b>Statement of Net Position</b> (in thousands of dollars)		
	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Assets:</b>		
Current assets	\$32,258	\$26,863
Capital assets, net	79,340	80,161
Other assets	50,422	50,768
<b>Total Assets</b>	<b>\$162,020</b>	<b>\$157,792</b>
<b>Deferred Outflows of Resources</b>		
Deferred loss on debt refunding	\$6	\$9
Deferred loss on OPEB	1,122	1,171
Deferred outflow related to pension	3,098	3,696
<b>Total Deferred Outflows</b>	<b>\$4,226</b>	<b>\$4,876</b>
<b>Liabilities:</b>		
Current liabilities	\$3,989	\$5,669
Noncurrent liabilities	10,205	11,922
<b>Total Liabilities</b>	<b>\$14,194</b>	<b>\$17,591</b>

<b>Deferred Inflows of Resources</b>		
Deferred inflows related to OPEB	\$1,751	\$314
Deferred inflows related to pension	1,022	436
<b>Total Deferred Inflows</b>	<b>\$2,773</b>	<b>\$750</b>
<b>Net Position:</b>		
Net investment in capital assets	\$79,340	\$80,161
Restricted – nonexpendable	5	5
Restricted – expendable	1,354	1,499
Unrestricted	68,580	62,662
<b>Total Net Position</b>	<b>\$149,279</b>	<b>\$144,327</b>

Comparison of FY 2020 to FY 2019

- Current Assets increase due to conserving funds for off-campus development and the increase in funds due from Title IV student financial aid programs such as Pell, SEOG, federal work study as well as federal funds due from the U.S. Department of Education (USDOE) for the CARES Act Higher Education Emergency Relief (HEERF) funding to assist students with unmet expenses as a result of COVID-19.
- Capital assets and net investment in capital assets decreased due to the retirement of operational and instructional equipment and planned depreciation expense for the year.
- Other assets decreased due to expenditures of long-term cash related to previously planned capital projects.
- Deferred outflows of resources decreased and deferred inflow of resources increased due to differences between actual experience and actuarial assumptions for pensions and OPEB.
- Current liabilities decreased due to the return of federal funds related to a financial aid audit and from having less outstanding vendor accounts payable at year end.
- Noncurrent liabilities decreased due to changes in the pension and OPEB liability.
- Unrestricted net position increased due to conserving funds for off-campus development, along with conserving funds for renewal and replacement for equipment.

**The Statement of Revenues, Expenses, and Changes in Net Position**

The Statement of Revenues, Expenses, and Changes in Net Position presents the results of operations for the fiscal year. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received. The statement indicates whether the College's financial condition has improved or deteriorated during the fiscal year. The

statement presents the revenues received by the College, both operating and nonoperating, and the expenses paid by the College, operating and nonoperating, and any other revenues, expenses, gains, or losses received or spent by the College.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the College. Nonoperating revenues are revenues received for which goods and services are not provided directly to the payor. Although Nashville State Community College is dependent upon state appropriations and gifts to fund educational and general operations, under GASB standards these funding sources are reported as nonoperating revenues, as is investment income. As a result, the College has historically reported an excess of operating expenses over operating revenues, resulting in an operating loss. Therefore, the “increase in net position” is more indicative of overall financial results for the year.

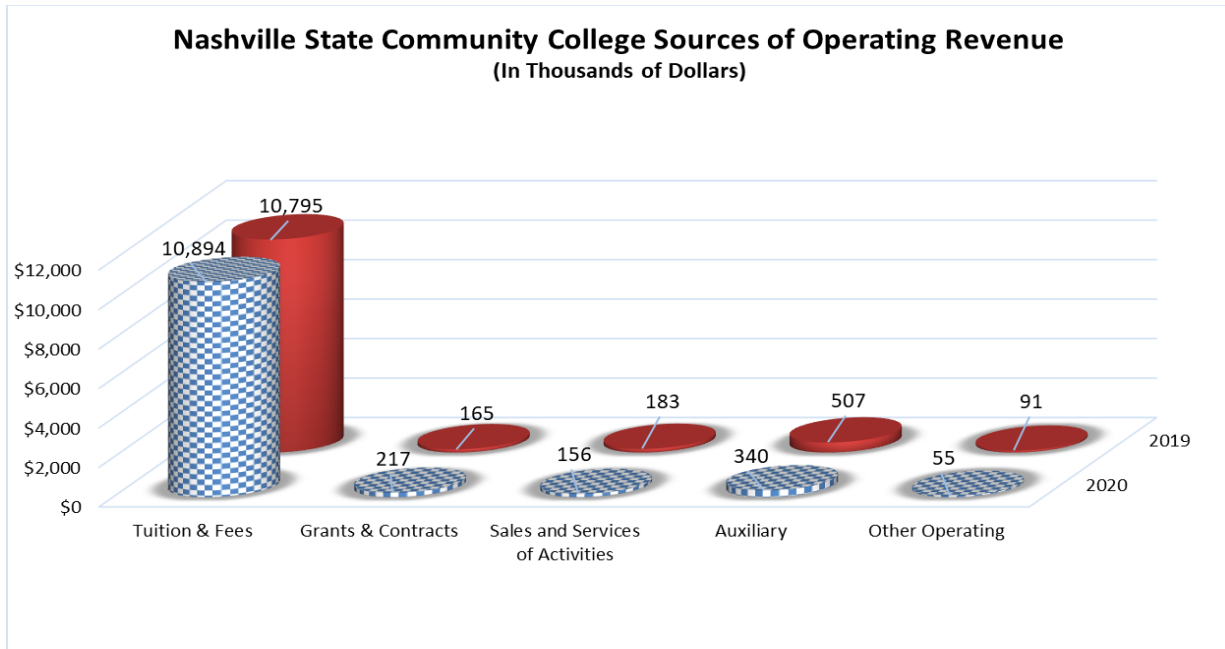
A summary of the College’s revenues, expenses, and changes in net position for the year ended June 30, 2020, and June 30, 2019, follows.

<b>Nashville State Community College</b> <b>Statement of Revenues, Expenses, and Changes in Net Position</b> (in thousands of dollars)		
	<b><u>2020</u></b>	<b><u>2019</u></b>
Operating revenues	\$11,662	\$11,742
Operating expenses	58,512	52,767
<b>Operating loss</b>	<b>(\$46,850)</b>	<b>(\$41,025)</b>
Nonoperating revenues and expenses	\$50,861	\$48,373
Income (loss) before other revenues, expenses, gains, or losses	\$4,011	\$7,348
Other revenues, expenses, gains, or losses	941	858
<b>Increase (decrease) in net position</b>	<b>\$4,952</b>	<b>\$8,206</b>
Net position at beginning of year	\$144,327	\$136,121
<b>Net position at end of year</b>	<b>\$149,279</b>	<b>\$144,327</b>

### **Operating Revenues**

The following summarizes the operating revenues by source that were used to fund operating activities for the last two fiscal years:





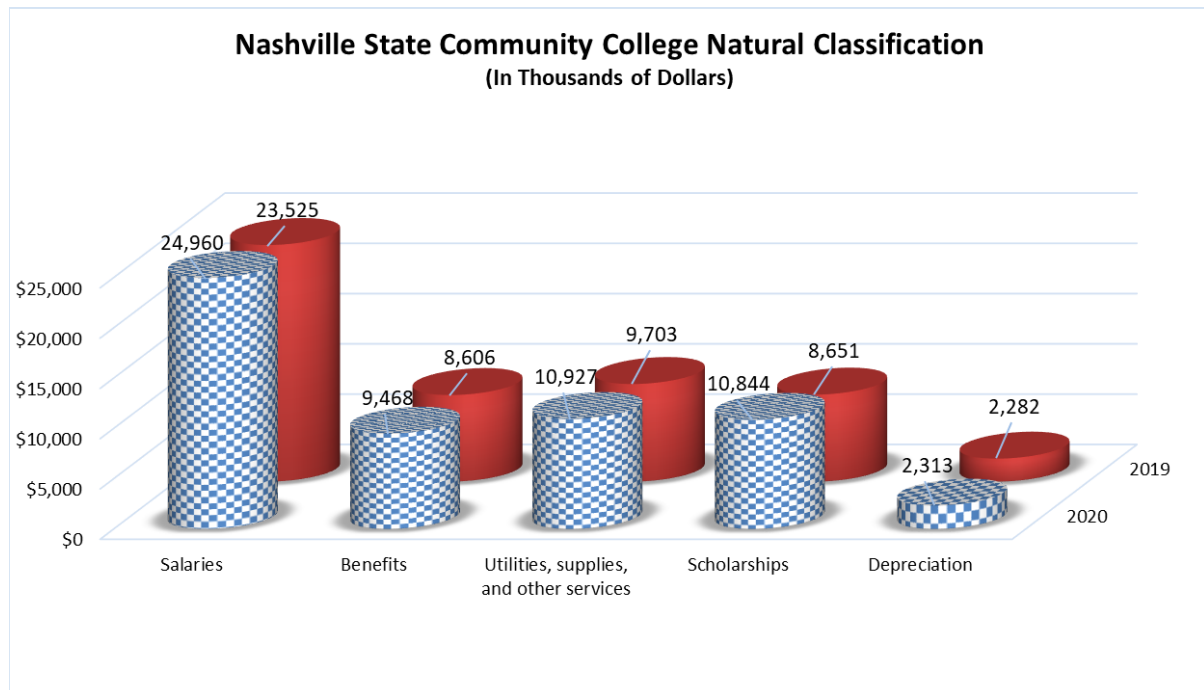
#### Comparison of FY 2020 to FY 2019

- Tuition and fees increased despite a lower enrollment rate due to the increase of fee rates of 2.45%.
- Grants and contracts increased due to receiving more revenue from workforce private grants and contracts.
- Sales and services of educational decreased due to receiving lower student printing fees and hosting only one of the two Career Employment events as a result of the national pandemic.
- Sales and Services of other activities decreased due to receiving less administration fees for TCAT Nashville and TCAT Dickson and due to receiving less proceeds from surplus sales on Govdeals.com.
- Auxiliary income decreased due to lower enrollment and the transition to digital books to save students money thereby resulting in less commission rates from bookstore.
- Other income decreased due to lower bad debt recoveries and less traffic violations given because fewer students were on campus as a result of the national pandemic.

#### Operating Expenses

Operating expenses may be reported by nature or function. The College has chosen to report the expenses in their natural classification on the statement of revenues, expenses,

and changes in net position and has displayed the functional classification in the notes to the financial statements. The following summarizes the operating expenses by natural classifications for the last two fiscal years:

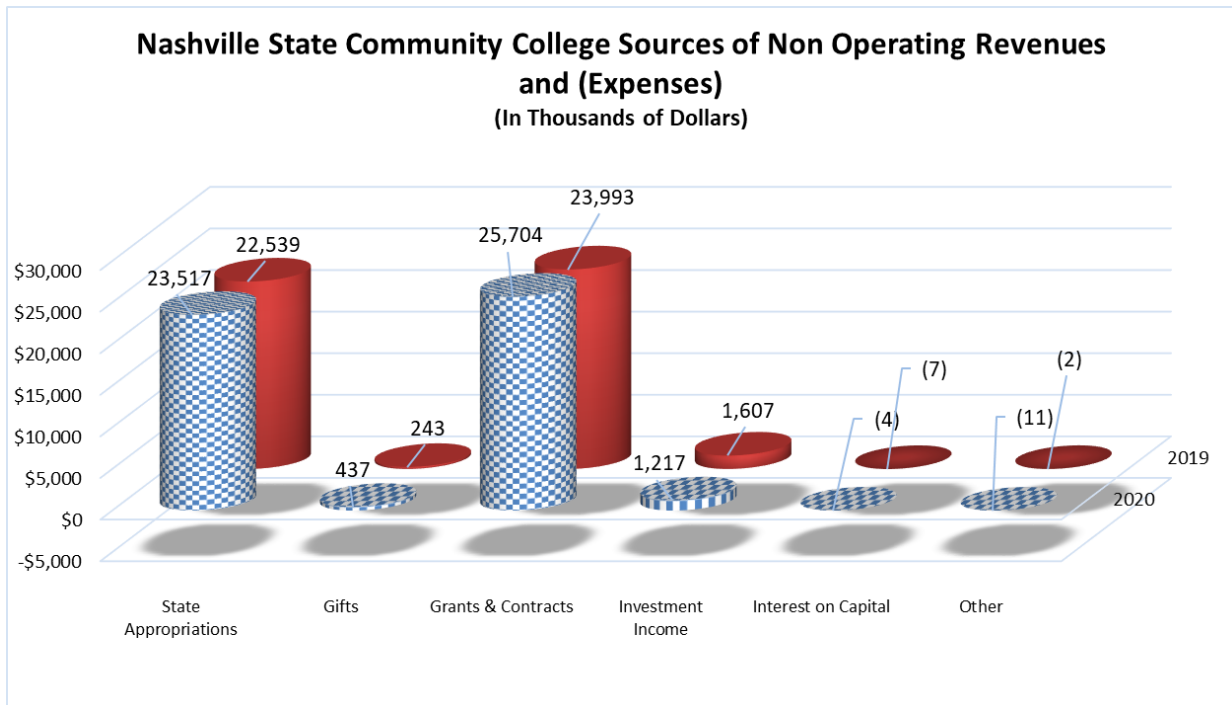


*Comparison of FY 2020 to FY 2019*

- Salaries increased due to a combination of faculty retirements, filling open positions and more need for temporary workers.
- Benefits increased due to an increase in pension expense, a higher TCRS Legacy Contribution rate at 19.23%, paying higher premiums for insurance, and an increase in compensated absence accrual from employees taking less vacation as a result of the national pandemic.
- Utilities, supplies, and other services increased due to higher spending on advertising, consulting services and other professional services to improve enrollment and services provided to students, to refocus the strategic direction of the College through development of the mission, vision, long terms goals and new programs. Software expenses increased due to purchases made to strengthen network security and to support the unexpected change to 100% online instructional delivery method due COVID-19.
- Scholarships increased due to more scholarships given to students in need in FY20.
- Depreciation expense increased due to the capital items purchased last year are having a full year of depreciation in FY20.

## **Nonoperating Revenues and Expenses**

Certain revenue sources that the College relies on to provide funding for operations, including state noncapital appropriations, certain gifts and grants, and investment income, are defined by the GASB as nonoperating. Nonoperating expenses include capital financing costs and other costs related to capital assets. The following summarizes the College's nonoperating revenues and expenses for the last two fiscal years:

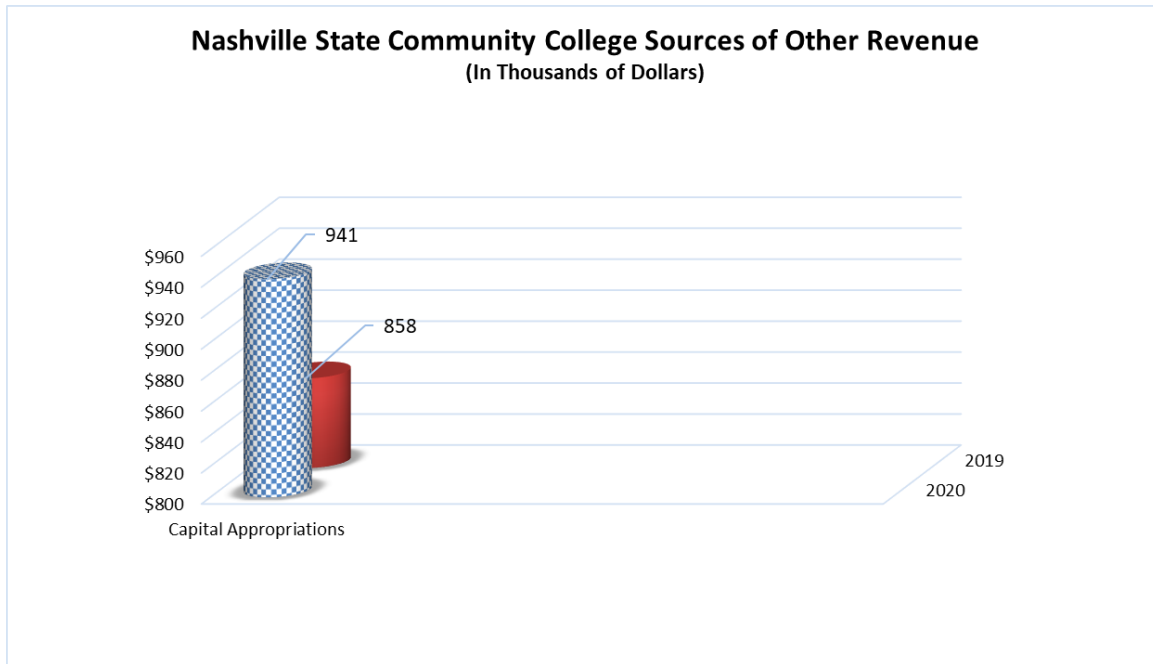


### **Comparison of FY 2020 to FY 2019**

- State appropriations revenue increased due to impacts of applying the funding formula.
- Gifts increased from due to funds received from the Campus Foundation related to the Nashville Grad Program and more gifts were received from Other Organizations for student scholarships such as ISTS, Hooper Scholarship and Metro Nashville Education.
- Grants and contracts increased due funding from the U.S. Department of Education (USDOE) for the CARES Act Higher Education Emergency Relief (HEERF) funding to assist students with unmet expenses as a result of COVID-19.
- Investment income decreased due having a lower cash balances in operating bank account and LGIP accounts as a result of increased spending.
- Other nonoperating revenues decreased due to the loss on sale of equipment.

## **Other Revenues**

This category is composed of State appropriations for capital purposes, capital grants and gifts, and additions to permanent endowments. These amounts were as follows for the last two fiscal years:



### **Comparison of FY 2020 to FY 2019**

- State capital appropriations revenue increased due to the main campus sidewalk improvement project and the main campus access door lock control project. Both projects are capital maintenance state funded projects.

## **Capital Assets and Debt Administration**

### **Capital Assets**

Nashville State Community College had \$79,340,322.44 invested in capital assets, net of accumulated depreciation of \$34,826,789.27 at June 30, 2020; and \$80,161,288.50 invested in capital assets, net of accumulated depreciation of \$32,860,625.91 at June 30, 2019. Depreciation charges totaled \$2,313,110.28 and \$2,281,565.80 for the years ended June 30, 2020, and June 30, 2019, respectively.

<b>Nashville State Community College</b> <b>Schedule of Capital Assets, Net of Depreciation</b> (in thousands of dollars)		
	<b><u>2020</u></b>	<b><u>2019</u></b>
Land	\$11,147	\$11,147
Land improvements & infrastructure	4,207	3,851
Buildings	59,211	60,665
Equipment	1,447	1,660
Library holdings	219	232
Projects in progress	3,109	2,606
<b>Total</b>	<b>\$79,340</b>	<b>\$80,161</b>

At June 30, 2020, outstanding commitments under construction contracts totaled \$19,456,748.99 for various renovations and repairs of buildings and infrastructure. Future state capital outlay appropriations will fund \$1,320,614.98 of these costs.

More detailed information about the College's capital assets is presented in Note 6 to the financial statements.

### **Debt**

The College had \$130,417.15 and \$190,715.96 in debt outstanding at June 30, 2020, and June 30, 2019, respectively. The table below summarizes these amounts by type of debt instrument.

<b><u>Description of Debt</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
TSSBA Bonds due 2022	\$130,417.15	\$190,715.96

The TSSBA issued bonds with interest rates at 5% due November 2022 on behalf of Nashville State Community College. The College is responsible for the debt service of these bonds. The current portion of the \$130,417.15 outstanding at June 30, 2020, is \$63,521.35.

The ratings on debt issued by the Tennessee State School Bond Authority at June 30, 2020, were as follows:

Fitch	AA+
Moody's Investor Service	Aa1
Standard & Poor's	AA+

More information about the College's long-term liabilities is presented in Note 8 to the financial statements.

## **Economic Factors That Will Affect the Future**

Significant changes that will affect the financial position of the College include:

- Student maintenance fee tuition will not increase in fiscal year 2021.
- State appropriation funding will decrease in fiscal year 2021 by \$1M.
- Student enrollment is anticipated to decrease due the national pandemic.

On December 31, 2019, China reported cases of the COVID-19 virus occurring in Wuhan City, China, to the World Health Organization (WHO). At that time, there was little confirmed evidence of human-to-human transmission and the WHO did not declare the outbreak to be a public health emergency of international concern until January 31, 2020. On March 11, 2020, the WHO declared COVID-19 to be a global pandemic. To help slow the transmission of the virus in Tennessee, the Tennessee Board of Regents (TBR) took the following actions: 1) Employees whose job responsibilities allowed were instructed to begin an alternate work-from-home schedule beginning March 17, 2020. 2) Most TBR institutions were on spring break the week of March 17<sup>th</sup>. Spring break was extended an additional week to allow faculty to convert classes to an online format. All classes were resumed on March 30<sup>th</sup> and followed an online format until the end of the Spring 2020 semester and most extended the online format through the Summer 2020 semester. At this time, TBR institutions are considering their options for the Fall 2020 semester and whether ground classes will resume at that time or the online format will continue. COVID-19 could have a negative impact on the State's revenue collections, State funding for higher education, higher education enrollment, the fair value of higher education's investments, demand for on-campus housing, and interest in college programs involving international travel. The full impact of COVID-19 and the scope of any adverse impact on the College's finances and operations cannot be fully determined at this time.

**Nashville State Community College**  
**Unaudited Statement of Net Position**  
**June 30, 2020**

	<u>Institution</u>	<u>Foundation</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (Notes 2, 3, 4 and 18)	\$ 28,518,476.80	\$ 986,828.77
Accounts, notes, and grants receivable (net) (Note 5)	3,156,883.44	
Due from primary government	534,022.70	
Prepaid expenses	48,322.45	
Total current assets	<u>\$ 32,257,705.39</u>	<u>\$ 986,828.77</u>
Noncurrent assets:		
Cash and cash equivalents (Notes 2, 3, 4 and 18)	\$ 50,040,070.33	\$ 48,130.79
Investments (Notes 4 and 18)		735,612.13
Investment in Tennessee Retiree Group Trust	214,019.73	
Net pension asset (Note 11)	167,537.00	
Capital assets (net) (Note 6)	79,340,322.44	
Total noncurrent assets	<u>\$ 129,761,949.50</u>	<u>\$ 783,742.92</u>
Total assets	<u>\$ 162,019,654.89</u>	<u>\$ 1,770,571.69</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on debt refunding	\$ 6,183.17	
Deferred outflows related to OPEB (Note 12)	1,122,043.00	
Deferred outflows related to pensions (Note 11)	3,098,528.00	
Total deferred outflows of resources	<u>\$ 4,226,754.17</u>	<u>\$ -</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable (Note 7)	\$ 897,861.19	\$ 81,557.36
Accrued liabilities	974,680.03	
Due to primary government	426,155.54	
Student deposits	9,761.00	
Unearned revenue	1,278,220.95	
Compensated absences (Note 8)	278,404.04	
Accrued interest payable	1,086.81	
Long-term liabilities, current portion (Note 8)	63,521.35	
Deposits held in custody for others	58,892.13	
Total current liabilities	<u>\$ 3,988,583.04</u>	<u>\$ 81,557.36</u>
Noncurrent liabilities:		
OPEB obligation (Note 12)	\$ 2,811,505.00	
Net pension liability (Note 11)	6,197,157.00	
Compensated absences (Note 8)	1,116,065.52	
Long-term liabilities (Note 8)	80,694.44	
Total noncurrent liabilities	<u>\$ 10,205,421.96</u>	<u>\$ -</u>
Total liabilities	<u>\$ 14,194,005.00</u>	<u>\$ 81,557.36</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to OPEB (Note 12)	\$ 1,751,374.00	
Deferred inflows related to pensions (Note 11)	1,022,236.00	
Total deferred inflows of resources	<u>\$ 2,773,610.00</u>	<u>\$ -</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 79,340,322.44	
Restricted for:		
Nonexpendable:		
Scholarships and fellowships	4,739.67	\$ 566,572.45
Instructional department uses		70,203.21
Expendable:		
Scholarships and fellowships	640,672.13	586,823.11
Instructional department uses	146,098.10	7,395.10
Pensions	167,537.00	
Other	398,994.54	171,237.00
Unrestricted	68,580,430.18	286,783.46
Total net position	<u>\$ 149,278,794.06</u>	<u>\$ 1,689,014.33</u>

The notes to the financial statements are an integral part of this statement.

**Nashville State Community College**  
**Unaudited Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Year Ended June 30, 2020**

	<u>Institution</u>	<u>Foundation</u>
<b>REVENUES</b>		
Operating revenues:		
Student tuition and fees (Note 13)	\$ 10,894,302.83	
Gifts and contributions		\$ 1,167,337.52
Governmental grants and contracts	40,483.00	
Non-governmental grants and contracts	176,548.79	
Sales and services of educational activities	10,806.50	
Sales and services of other activities	145,272.04	
Auxiliary enterprises: Bookstore	339,961.49	
Other operating revenues	54,697.36	
Total operating revenues	<u>\$ 11,662,072.01</u>	<u>\$ 1,167,337.52</u>
<b>EXPENSES</b>		
Operating Expenses (Note 16)		
Salaries and wages	\$ 24,959,811.87	\$ 205,731.02
Benefits	9,467,892.83	51,432.75
Utilities, supplies, and other services	10,926,597.74	129,355.52
Scholarships and fellowships	10,844,466.68	874,854.59
Depreciation expense	2,313,110.28	
Payments to or on behalf of Nashville State Community College (Note 18)		131,326.98
Total operating expenses	<u>\$ 58,511,879.40</u>	<u>\$ 1,392,700.86</u>
Operating income (loss)	<u>\$ (46,849,807.39)</u>	<u>\$ (225,363.34)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State appropriations	\$ 23,517,350.00	
Gifts, including from component unit to institution	<u>\$ 131,326.98</u>	437,464.16
Grants and contracts	25,703,801.86	
Investment income (net of investment expense for the component unit)	<u>\$ 4,377.86</u>	\$ 38,285.87
Interest on capital asset-related debt	(3,718.14)	
University/College support (Note 18)		287,381.27
Other non-operating revenues/(expenses)	(10,710.64)	
Net nonoperating revenues	<u>\$ 50,861,234.17</u>	<u>\$ 325,667.14</u>
Income before other revenues, expenses, gains, or losses	<u>\$ 4,011,426.78</u>	<u>\$ 100,303.80</u>
Capital appropriations	\$ 940,663.25	
Additions to permanent endowments		\$ 20,000.00
Total other revenues	<u>\$ 940,663.25</u>	<u>\$ 20,000.00</u>
Increase (decrease) in net position	<u>\$ 4,952,090.03</u>	<u>\$ 120,303.80</u>
<b>NET POSITION</b>		
Net position -beginning of year	<u>\$ 144,326,704.03</u>	<u>\$ 1,568,710.53</u>
Net position - end of year	<u><u>\$ 149,278,794.06</u></u>	<u><u>\$ 1,689,014.33</u></u>

The notes to the financial statements are an integral part of this statement.



**Nashville State Community College**  
**Unaudited Statement of Cash Flows**  
**for the Year Ended June 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Tuition and fees	\$ 11,114,465.14
Grants and contracts	(508,608.50)
Sales and services of educational activities	10,806.50
Sales and services of other activities	145,272.04
Payments to suppliers and vendors	(11,732,492.72)
Payments to employees	(25,280,073.62)
Payments for benefits	(9,082,972.19)
Payments for scholarships and fellowships	(10,844,466.68)
Funds received for deposits held for others	28,170.00
Funds dispersed for deposits held for others	(29,310.71)
Auxiliary enterprise charges: Bookstore	339,961.49
Other receipts (payments)	54,697.36
Net cash provided (used) by operating activities	<u>\$ (45,784,551.89)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

State appropriations	\$ 23,005,400.00
Gifts and grants received for other than capital or endowment purposes	
including from NSCC Foundation to the institution	<u>\$ 131,326.98</u>
Federal/state student loan receipts	26,141,266.02
Federal/state student loan disbursements	4,154,437.00
Principal paid on noncapital debt	(4,154,437.00)
Interest paid on noncapital debt	(64,106.51)
	<u>(4,220.63)</u>
Net cash provided (used) by non-capital financing activities	<u>\$ 49,078,338.88</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchase of capital assets and construction	\$ (562,191.61)
Net cash provided (used) by capital and related financing activities	<u>\$ (562,191.61)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Income on investments	\$ 1,205,418.82
Net cash provided (used) by investing activities	<u>\$ 1,205,418.82</u>

Net increase (decrease) in cash and cash equivalents	\$ 3,937,014.20
Cash and cash equivalents - beginning of year	74,621,532.93
Cash and cash equivalents - end of year (Note 2)	<u>\$ 78,558,547.13</u>

**RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income/(loss)	\$ (46,849,807.39)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Noncash operating expenses	2,839,860.28
Change in assets, liabilities, and deferrals:	
Receivables, net	(1,513,851.07)
Due from component unit/primary government	504,597.58
Inventories	89,867.21
Prepaid items	6,415.00
Investment in Tennessee Retiree Group Trust	(202,391.62)
Deferred outflows of resources	646,599.32
Accounts payable	(1,103,856.10)
Accrued liabilities	(355,627.59)
Due to component unit/primary government	(18,205.30)
Unearned revenues	234,721.95
Deposits	5,758.50
Compensated absences	247,014.05
Net pension liability	(512,325.00)
Net OPEB obligation	(1,825,938.00)
Deferred inflows of resources	2,023,757.00
Other	(1,140.71)
Net cash provided (used) by operating activities	<u>\$ (45,784,551.89)</u>

**Non-cash investing, capital, and financing transactions**

Unrealized gains/(losses) on investments	\$ 11,628.11
Gain/(loss) on disposal of capital assets	\$ (10,710.64)
Capital appropriation	\$ 940,663.25
Purchase and construction of capital assets	\$ (940,663.25)

The notes to the financial statements are an integral part of this statement.

**TENNESSEE BOARD OF REGENTS  
NASHVILLE STATE COMMUNITY COLLEGE  
Standard Notes to the Financial Statements  
June 30, 2020**

**1. Summary of Significant Accounting Policies**

**REPORTING ENTITY**

The College is a part of the State University and Community College System of Tennessee (the System). The System is a component unit of the State of Tennessee because the state appoints a majority of the System's governing body and provides significant financial support; the System is discretely presented in the *Tennessee Comprehensive Annual Financial Report*.

The financial statements present only that portion of the System's activities that is attributable to the transactions of Nashville State Community College.

The Nashville State Community College Foundation is considered a component unit of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. See Note 18 for more detailed information about the component unit and how to obtain the report.

**BASIS OF PRESENTATION**

The College's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental colleges and universities engaged in business-type activities as prescribed by the Governmental Accounting Standards Board (GASB).

**BASIS OF ACCOUNTING**

For financial statement purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant internal activity has been eliminated.

The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria: Operating revenues and expenses are those that have the characteristics of exchange and exchange-like transactions. Operating revenues include 1) tuition and fees, net of scholarship discounts and allowances, 2) most federal, state, local and private grants and contracts, 3) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, and 4) interest on institutional loans. Operating expenses include 1) salaries and wages, 2) employee benefits, 3) scholarships and fellowships, 4) depreciation, and 5) utilities, supplies, and other services.

Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other activities that are defined as nonoperating by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*, and GASB Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, such as state appropriations and investment income.

When both restricted and unrestricted resources are available for use, it is the College policy to determine whether to use restricted or unrestricted resources first depending upon existing facts and circumstances.

#### CASH EQUIVALENTS

This classification includes instruments that are readily convertible to known amounts of cash and have original maturities of three months or less.

#### COMPENSATED ABSENCES

The College's employees accrue annual and sick leave at varying rates, depending upon length of service or classification. Some employees also earn compensatory time. The amount of the liabilities for annual leave and compensatory time and their related benefits are reported in the Statement of Net Position. There is no liability for unpaid accumulated sick leave since the College's policy is to pay this only if the employee is sick or upon death.

#### CAPITAL ASSETS

Capital assets, which include property, plant, equipment, library holdings, works of art, historical treasures/collections, and intangible assets, are reported in the Statement of Net Position at historical cost or at acquisition value at date of donation, less accumulated depreciation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' useful lives are not capitalized.

A capitalization threshold of \$100,000 is used for buildings and \$50,000 is used for infrastructure. Equipment is capitalized when the unit acquisition cost is \$5,000 or greater. The capitalization threshold for additions and improvements to buildings and land is set at \$50,000. The capitalization threshold for intangible assets is set at \$100,000. The capitalization threshold for art, historical treasures/collections, and similar assets is set at \$5,000.

These assets, with the exception of works of art and historical treasures/collections deemed inexhaustible and land, are depreciated/amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 60 years.

#### PENSIONS

For purposes of measuring the net pension liability and/or net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Closed State and Higher Education Employee Pension Plan and the State and Higher Education Employee Retirement Plan in the Tennessee Consolidated Retirement System (TCRS) and additions to/deductions from the plan's fiduciary net positions have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Closed State and Higher Education Employee Pension Plan and the State and Higher Education Employee Retirement Plan. Investments are reported at fair value.

#### NET POSITION

The College's net position is classified as follows:

**NET INVESTMENT IN CAPITAL ASSETS:** This represents the College's total investment in capital assets, net of accumulated depreciation and net of outstanding debt obligations and deferred outflows/inflows of resources related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

**RESTRICTED NET POSITION – NONEXPENDABLE:** Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expendable or added to principal.

**RESTRICTED NET POSITION – EXPENDABLE:** Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

**UNRESTRICTED NET POSITION:** Unrestricted net position represents resources derived from student tuition and fees, state appropriations, sales and services of educational departments, sales and services of other, and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the College to meet current expenses for any purpose. The auxiliary enterprises are substantially self-supporting activities that provide services for students, faculty, and staff.

## **SCHOLARSHIP DISCOUNTS AND ALLOWANCES**

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discount and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by the student and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

### **2. Cash**

This classification includes demand deposits and petty cash on hand. At June 30, 2020, cash consists of \$1,268,552.81 in bank accounts, \$1,800.00 of petty cash on hand, \$73,354,738.69 in the State of Tennessee Local Government Investment Pool administered by the State Treasurer, \$3,933,455.63 in the Deposits – Capital Projects account.

LGIP Deposits – Capital Projects - Payments related to the College's capital projects are made by the State of Tennessee's Department of Finance and Administration. The College's estimated local share of the cost of each project is held in a separate Local Government Investment Pool (LGIP) account. As expenses are incurred, funds are withdrawn from the LGIP account by the System and transferred to the Department of Finance and Administration. The funds in the account are not available to the College for any other purpose until the project is completed and the System releases any remaining funds.

The Local Government Investment Pool (LGIP) is administered by the State Treasurer and is measured at amortized cost. The LGIP is part of the State Pooled Investment Fund. There are no minimum or maximum limitations on withdrawals. The fund's required risk disclosures are presented in the *State of Tennessee's Treasurer's Report*. That report is available on the state's website at <http://www.treasury.state.tn.us> or by calling (615) 741-2956.

### **3. Deposits**

In accordance with the laws of the State of Tennessee, financial institutions have pledged securities as collateral for College funds on deposit. Financial institutions may participate in a bank collateral pool administered by the State Treasurer. For those financial institutions participating in the bank collateral pool, the required collateral accepted as security for deposits shall be collateral whose market value is equal to either one hundred fifteen percent (115%) or one hundred percent (100%) of the uninsured deposits. The pledge level is based on financial criteria set by the Collateral Pool Board with the financially strongest institutions being eligible for the lowest pledge level. For all other financial institutions, the required collateral accepted as security for deposits shall be collateral whose market value is equal to one hundred five percent (105%) of the uninsured deposits.

#### 4. **Investments**

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College is authorized by statute to invest funds in accordance with the System's policies. Under the current policy, funds other than endowments may be invested only in obligations of the United States or its agencies which are backed by the full faith and credit of the United States, repurchase agreements for United States securities, certificates of deposit in banks and savings and loan associations, banker's acceptances, commercial paper, money market mutual funds and the State of Tennessee Local Government Investment Pool. The policy requires that investments of endowments in equity securities be limited to funds from private gifts or other sources external to the College and that endowment investments be prudently diversified.

TBR policy restricts investments in banker's acceptances and commercial paper. The policy requires that prime banker's acceptances must be issued by domestic banks with a minimum AA rating or foreign banks with a AAA long-term debt rating by a majority of the rating services that have rated the issuer. Prime banker's acceptances are required to be eligible for purchase by the Federal Reserve System. To be eligible, the original maturity must not be more than 270 days, and it must 1) arise out of the current shipment of goods between countries or with the United States, or 2) arise out of storage within the United States of goods under contract of sale or expected to move into the channel or trade within a reasonable time and that are secured throughout their life by a warehouse receipt or similar document conveying title to the underlying goods.

TBR policy requires that prime commercial paper shall be limited to that of corporations that meet the following criteria: 1) Senior long-term debt, if any, should have a minimum rating of A1 or equivalent, and short-term debt should have a minimum rating of A1 or equivalent, as provided by a majority of the rating services that rate the issuer. If there is no long-term debt rating, the short-term debt rating must be A1 by all rating services (minimum of two). 2) The rating should be based on the merits of the issuer or guaranteed by a nonbank. 3) A financial review should be made to ascertain the issuer's financial strength to cover the debt. 4) Commercial paper of a banking institution should not be purchased. Prime commercial paper shall not have a maturity that exceeds 270 days.

As of June 30, 2020, the College's investments consisted entirely of investments in the Local Government Investment Pool. The carrying value of these investments was \$77,288,194.32. LGIP investments are not rated by nationally recognized statistical ratings organizations.

#### 5. **Accounts, Notes, and Grants Receivable**

Accounts receivable included the following:

	June 30, 2020
Student accounts receivable	\$1,710,220.83
Grants receivable	1,569,303.18
Other receivables	85,579.96
Subtotal	\$3,365,103.97
Less allowance for doubtful account	(208,220.53)
Total	\$3,156,883.44

## 6. Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beg Balance	Additions	Transfers	Reductions	End Balance
Land	\$11,147,437.28				\$11,147,437.28
Land improve & infra	7,709,120.46	\$190,101.43	\$574,249.82	(\$71,404.36)	8,402,067.35
Buildings	84,818,517.67				84,818,517.67
Equipment	5,637,996.62	198,628.35		(262,519.22)	5,574,105.75
Library holdings	486,142.60	37,205.68		(23,733.98)	499,614.30
Intangible assets	616,682.59				616,682.59
Projects in progress	2,606,017.19	1,076,919.40	(574,249.82)		3,108,686.77
Total	\$113,021,914.41	\$1,502,854.86	\$0.00	(\$357,657.56)	\$114,167,111.71
Less accum deprec/amort:					
Land improve & infra	\$3,858,011.87	\$397,569.36		(\$60,693.72)	\$4,194,887.51
Buildings	24,153,683.41	1,453,608.31			25,607,291.72
Equipment	3,978,041.05	411,971.17		(262,519.22)	4,127,493.00
Library holdings	254,206.99	49,961.44		(23,733.98)	280,434.45
Intangible assets	616,682.59				616,682.59
Total	\$32,860,625.91	\$2,313,110.28		(\$346,946.92)	\$34,826,789.27
Capital assets, net	\$80,161,288.50	(\$810,255.42)	\$0.00	(\$10,710.64)	\$79,340,322.44

## 7. Accounts Payable

Accounts payable included the following:

	June 30, 2020
Vendors payable	\$602,255.57
Unapplied student payments	136,889.17
Other payables	158,716.45
Total	\$897,861.19

## 8. Long-term Liabilities

Long term liability activity for the year ended June 30, 2020, was as follows:

	Beg Balance	Additions	Reductions	End Balance	Current Portion
Payables:					
TSSBA debt:					
Bonds	\$190,715.96		(\$60,298.81)	\$130,417.15	\$63,521.35
Unamortized bond prem/disc	20,697.96		(6,899.32)	13,798.64	
Subtotal	\$211,413.92		(\$67,198.13)	\$144,215.79	\$63,521.35
Other Liabilities:					
Comp absences	\$1,147,455.51	\$893,729.78	(\$646,715.73)	\$1,394,469.56	\$278,404.04
Due to grantor					
Unearned revenue					
Subtotal	\$1,147,455.51	\$893,729.78	(\$646,715.73)	\$1,394,469.56	\$278,404.04
Total long-term liabilities	\$1,358,869.43	\$893,729.78	(\$713,913.86)	\$1,538,685.35	\$341,925.39

### TSSBA Debt - Bonds Payable

Bonds, with interest rates at 5%, were issued by the Tennessee State School Bond Authority. The bonds are due serially until 2022 and are secured by pledges of the facilities' revenues to which they relate and certain other revenues and fees of the College, including state appropriations; see Note 10 for further details. The bonded indebtedness with the Tennessee State School Bond Authority included in long-term liabilities on the Statement of Net Position is shown net of assets held by the authority in the debt service reserve and net of unexpended

debt proceeds. The reserve amount was \$0 at June 30, 2020. Unexpended debt proceeds were \$0 at June 30, 2020.

Debt service requirements to maturity for the College's portion of TSSBA bonds at June 30, 2020, are as follows:

For the Year(s) Ending June 30	Principal	Interest	Total
2021	\$63,521.35	\$4,932.83	\$68,454.18
2022	\$66,895.80	\$1,672.40	\$68,568.20
Total	\$130,417.15	\$6,605.23	\$137,022.38

## **9. Endowments**

If a donor has not provided specific instructions to Nashville State Community College, state law permits the to authorize for expenditure the net appreciation (realized and unrealized) of the investments of endowment funds. When administering its power to spend net appreciation, the College is required to consider its long-term and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends, and general economic conditions. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established.

The College chooses to spend only a portion of the investment income (including changes in the value of investments) each year. Under the spending plan established by the College, 95% of investment earnings on endowments, not otherwise specifying a specific spending plan, are available for allocation. The remaining amount, if any, is added to the endowment base. At June 30, 2020, net appreciation of \$2,023.42 is available to be spent, of which \$2,023.42 is included in restricted net position expendable for scholarships and fellowships.

## **10. Pledged Revenues**

The College has pledged certain revenues and fees, including state appropriations, to repay \$130,417.15 in revenue bonds issued August 2014. Proceeds from the bonds provided financing for Energy Savings & Performance Contract projects. The bonds are payable through 2022. Annual principal and interest payments on the bonds are expected to require 0.12% of available revenues. The total principal and interest remaining to be paid on the bonds is \$137,022.38. Principal and interest paid for the current year and total available revenues were \$64,016.95 and \$52,061,858.15, respectively.

## **11. Pension Plans**

### **Defined Benefit Plan**

#### **Closed State and Higher Education Employee Pension Plan**

##### *General Information about the Pension Plan*

**Plan Description** - State employees and higher education employees with membership in the Tennessee Consolidated Retirement System (TCRS) before July 1, 2014, are provided with pensions through the Closed State and Higher Education Employee Pension Plan. This plan is a component of the Public Employee Retirement Plan, an agent, multiple-employer defined benefit pension plan. The Closed State and Higher Education Employee Pension Plan stopped accepting new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, a new agent defined benefit retirement plan, the State and Higher Education Employee Retirement Plan, became effective for state employees and higher education employees hired on or after July 1, 2014.

The TCRS was created by state statute under Title 8, Chapters 34-37, Tennessee Code Annotated. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in

the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

**Benefits Provided** - Title 8, Chapters 34-37, Tennessee Code Annotated, establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Closed State and Higher Education Employee Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined using the following formula:

Average of member's highest compensation for 5 consecutive years (up to Social Security integration level)	x	1.50%	x	Years of Service Credit	x	105%
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Plus:

Average of member's highest compensation for 5 consecutive years (over the Social Security integration level)	x	1.75%	x	Years of Service Credit	x	105%
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A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost-of-living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw employee contributions, plus any accumulated interest.

**Contributions** - Contributions for state employees and higher education employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. The College's employees are non-contributory, as are most members in the Closed State and Higher Education Employee Pension Plan. State and higher education agencies make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Closed State and Higher Education Employee Pension Plan are required to be paid. Employer contributions by the College for the year ended June 30, 2020, to the Closed State and Higher Education Employee Pension Plan were \$1,890,820, which is 19.66 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

*Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

**Pension liability** – At June 30, 2020, the College reported a liability of \$6,197,157 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the proportion of the College's contributions during the year ended June 30, 2019, to the pension plan relative to the contributions of all participating state and higher education agencies. At the June 30, 2019, measurement date, the College's



proportion was 0.438841 percent. The proportionate share from the prior year's measurement date of June 30, 2018, was 0.415342 percent.

Pension expense (negative pension expense) – For the year ended June 30, 2020, the College recognized a pension expense (negative pension expense) of \$2,515,047.

Deferred outflows of resources and deferred inflows of resources – For the year ended June 30, 2020, the College 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
Differences between expected and actual experience	\$ 291,347	\$97,972
Net difference between projected and actual earnings on pension plan investments	-	815,117
Changes in assumptions	445,784	-
Changes in proportion of Net Pension Liability (Asset)	350,962	95,593
Contributions subsequent to the measurement date of June 30, 2019	1,890,820	
Total	\$ 2,978,913	\$ 1,008,682

Deferred outflows of resources, resulting from the College's employer contributions of \$1,890,820 subsequent to the measurement date will be recognized as a reduction/(increase) in net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30:</b>	
2021	\$619,163
2022	(400,970)
2023	(112,353)
2024	(26,426)
2025	-
Thereafter	-

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial assumptions - The total pension liability as of June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement. The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.50 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Expected Real Rate of Return</b>	<b>Target Allocation</b>
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

**Discount rate** - The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all state and higher education agencies will be made at the actuarially determined contribution rate in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate** - The following presents the College's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the College's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
College's proportionate share of the net pension liability (asset)	\$14,955,291	\$6,197,157	(\$927,658)

**Pension plan fiduciary net position** – Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report at [www.treasury.state.tn.us/tcrs](http://www.treasury.state.tn.us/tcrs).

#### *Payable to the Pension Plan*

At June 30, 2020, the College reported a payable of \$0 for the outstanding amount of legally required contributions to the pension plan required for the year ended June 30, 2020.

## **State and Higher Education Employee Retirement Plan**

### *General Information about the Pension Plan*

Plan description – State employees and higher education employees with membership in the Tennessee Consolidated Retirement System (TCRS) before July 1, 2014, are provided with pensions through the Closed State and Higher Education Employee Pension Plan, an agent plan within the Public Employee Retirement Plan administered by the TCRS. The TCRS is a multiple-employer pension plan. The Closed State and Higher Education Employee Pension Plan was closed effective June 30, 2014, and covers employees hired before July 1, 2014. Employees hired after June 30, 2014, are provided with pensions through a legally separate plan referred to as the State and Higher Education Employee Retirement Plan, an agent plan within the Public Employee Retirement Plan administered by the TCRS.

The TCRS was created by state statute under Title 8, Chapters 34-37, Tennessee Code Annotated. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits provided – Tennessee Code Annotated Title 8, Chapters 34-37, establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the State and Higher Education Employee Retirement Plan are eligible to retire at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Members are entitled to receive unreduced service retirement benefits, which are determined by a formula multiplying the member's highest five consecutive year average compensation by 1.0 percent multiplied by the member's years of service credit. A reduced early retirement benefit is available at age 60 with 5 years of service credit or pursuant to the rule of 80 in which the member's age and service credit total 80. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service-related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost-of-living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to July 2nd of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions – Contributions for state and higher education employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of their salary to the State and Higher Education Employee Retirement Plan. State and higher education agencies make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the State and Higher Education Employee Retirement Plan are required to be paid. Employer contributions by the College for the year ended June 30, 2020, to the State and Higher Education Employee Retirement Plan were \$88,287, which is 1.73 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

### *Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

Pension Liability/(Asset) – At June 30, 2020, the College reported a liability/(asset) of (\$167,537) for its proportionate share of the net pension liability/(asset). The net pension liability/(asset) was measured as of June 30, 2019, and the total pension liability/(asset) used to calculate the net pension liability/(asset) was

determined by an actuarial valuation as of that date. The College's proportion of the net pension liability/(asset) was based on the proportion of the College's contributions during the year ended June 30, 2019, to the pension plan relative to the contributions of all participating state and higher education agencies. At the June 30, 2019, measurement date, the College's proportion was 0.403924 percent. The proportionate share from the prior year's measurement date of June 30, 2018, was 0.450963 percent.

Pension expense (negative pension expense) – For the year ended June 30, 2020, the College recognized a pension expense (negative pension expense) of \$57,422.

Deferred outflows of resources and deferred inflows of resources – For the year ended June 30, 2020, the College 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
Differences between expected and actual experience	\$ 3,735	\$ 5,434
Net difference between projected and actual earnings on pension plan investments	-	6,920
Changes in assumptions	4,631	-
Changes in proportion of Net Pension Liability (Asset)	22,962	1,200
Contributions subsequent to the measurement date of June 30, 2019	88,287	
Total	\$ 119,615	\$ 13,554

Deferred outflows of resources, resulting from the College's employer contributions of \$88,287 subsequent to the measurement date will be recognized as a reduction/(increase) to the net pension liability/(asset) in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30:</b>	
2021	\$862
2022	(8)
2023	1,808
2024	2,803
2025	3,619
Thereafter	8,690

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial assumptions – The total pension liability (asset) as of the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was using in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates 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 of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Expected Real Rate of Return</b>	<b>Target Allocation</b>
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Discount rate - The discount rate used to measure the total pension liability/(asset) was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all state and higher education agencies will be made at the actuarially determined contribution rate in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability/(asset).

Sensitivity of the proportionate share of net pension liability/(asset) to changes in the discount rate - The following presents the College's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.25 percent, as well as what the College's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
College's proportionate share of the net pension liability (asset)	\$27,446	(\$167,537)	(\$314,218)

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

### *Payable to the Pension Plan*

At June 30, 2020, the College reported a payable of \$0 for the outstanding amount of legally required contributions to the pension plan required for the year ended June 30, 2020.

Total defined benefit pension expense – The total pension expense for the year ended June 30, 2020, for all defined benefit pension plans was \$ 1,979,107.

### Defined Contribution Plans

#### **Optional Retirement Plan**

**Plan Description** – The College contributes to the Optional Retirement Plan (ORP). The ORP, administered by the Tennessee Treasury Department, is a defined contribution plan. The ORP was established by state statute in Title 8, Chapter 35, Part 4 of the TCA. This statute also sets out the plan provisions. The plan provisions are amended by the Tennessee General Assembly. The ORP was designed to provide benefits at retirement to faculty and staff who are exempt from the overtime provision of the Fair Labor Standards Act and who waive membership in the TCRS. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

**Funding Policy** - For employees employed prior to July 1, 2014, plan members are noncontributory. The College contributes 10 percent of the employee's base salary up to the social security wage base and 11 percent above the social security wage base. For employees hired after June 30, 2014, plan members will contribute 5 percent to the ORP and the College will contribute 9 percent of the employee's base salary. The required contributions made to the ORP were \$702,564.69 for the year ended June 30, 2020, and \$650,084.40 for the year ended June 30, 2019. Contributions met the requirements for each year.

Members are immediately 100 percent vested in the employer contributions made pursuant to the ORP. The Treasury Department has selected three investment vendors who offer a variety of investment products in which members are responsible for selecting how the contributions are invested. Each member makes the decision when to reallocate future contributions or when to transfer funds from one investment product to another. Funds are held by the investment vendor in the name of the member, not in the name of the State of Tennessee. The State of Tennessee has no discretion over these funds other than to make the initial contributions. Accordingly, the State of Tennessee is not acting in a trustee capacity nor does it have a fiduciary responsibility for the funds held by the investment vendors.

**Payable to the Plan** – At June 30, 2020, the College reported a payable of \$ 0.00 for the outstanding amount of legally required contributions to the plan required for the year then ended.

#### **Deferred Compensation Plans**

Employees are offered three deferred compensation plans. The College, through the State of Tennessee, provides two plans, one established pursuant to IRC, Section 457, and the other pursuant to IRC, Section 401(k). The third plan is administered by the College and was established in accordance with IRC, Section 403(b). The plans are outsourced to third-party vendors, and the administrative costs assessed by the vendors of these plans are the responsibility of plan participants. Section 401(k), Section 403(b), and Section 457 plan assets remain the property of the contributing employees; therefore, they are not presented in the accompanying financial statements. IRC Sections 401(k), 403(b) and 457 establish participation, contribution, and withdrawal provisions for the plans. The College provides up to a \$50 monthly employer match for employees who participate in the state's 401(k) plan. Employees hired before July 1, 2014, voluntarily participate in the state's 401(k) plan. Pursuant to Public Chapter No. 259 of Public Acts of 2013, employees hired after June 30, 2014, are automatically enrolled in the state's 401(k) plan and contribute 2% of their salary, with the employer contributing an additional non-matching 5% for employees who elect to be in the TCRS pension plan. Employees may opt out of the 2% auto enrollment. Such contribution rates may only be amended by the Tennessee General Assembly. There are certain automatic cost controls and unfunded liability controls in the defined benefit plan where the employees participate that may impact the non-matching 5% employer

contribution to the 401(k) plan. Employees will vest immediately to both the employee and employer contributions. During the year ended June 30, 2020, contributions totaling \$746,537.44 were made by employees participating in the plan, with a related match of \$450,682.72 made by the College. During the year ended June 30, 2019, contributions totaling \$656,197.11 were made by employees participating in the plan, with a related match of \$376,305.26 made by the College.

Payable to the Plan – At June 30, 2020 and June 30, 2019, the College reported a payable of \$0.00 and \$ 0.00, respectively, for the outstanding amount of legally required contributions to the plan required for the year then ended.

## **12. Other Postemployment Benefits**

### **Closed State Employee Group OPEB Plan**

General information about the OPEB plan

**Plan description** - Employees of the College, who were hired prior to July 1, 2015 and choose coverage, are provided with pre-65 retiree health insurance benefits through the closed State Employee Group OPEB Plan (EGOP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The employers participating in this plan includes the primary government, the Tennessee Student Assistance Corporation, the Tennessee Housing Development Agency, the University of Tennessee and the institutions that make up the State University and Community College System. The State of Tennessee Postemployment Benefits Trust (OPEB Trust) was established to accumulate resources to pay for the retiree benefits of EGOP participants. The OPEB Trust prepares a stand-alone financial report that can be found at <https://www.tn.gov/finance/rd-doa/opeb22121.html>.

**Benefits provided** - The EGOP is offered to provide health insurance coverage to eligible retired and disabled participants and is the only postemployment benefit provided to eligible pre-65 participants. Benefits are established and amended by an insurance committee created by Tennessee Code Annotated (TCA) 8-27-201. All retirees and disabled employees of the primary government and certain component units, who are eligible and choose coverage, and who have not yet reached the age of 65 are enrolled in this plan. All members have the option of choosing between the premier preferred provider organization (PPO) plan, standard PPO plan or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members receive the same plan benefits, as active employees, at a blended premium rate that considers the cost of active and retired employees. This creates an implicit subsidy for the retirees. The retirees' cost is then directly subsidized, by the employers, based on years of service. Therefore, retirees with 30 years of service are subsidized 80 percent; 20 but less than 30 years, 70 percent; and less than 20 years, 60 percent.

**Contributions** - Annually, an insurance committee, created in accordance with Tennessee Code Annotated (TCA) 8-27-201, establishes the required contributions to the plan by member employees through the premiums established to approximate claims cost for the year. Pre-age 65 retired members of the EGOP pay a premium based on a blended rate that considers the cost of active and retired employees as well as their individual years of service. Therefore, retirees pay either 20 percent, 30 percent, 40 percent or 100 percent of the appropriate premium rate. These payments are deposited into the OPEB Trust. Employers contribute to the OPEB Trust based on an actuarially determined contribution (ADC) rate calculated in a manner to meet the funding goals of the state. The total ADC rate for plan employers for the fiscal year ended June 30, 2020 was \$145.4 million. The College's share of the ADC was \$484,802. During the fiscal year the College contributed \$484,802 to the OPEB Trust. The state general assembly has the authority to change the contribution requirements of the employers participating in the EGOP.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

**Proportionate share** - The College's proportion and proportionate share of the collective total OPEB liability, related to the EGOP, is 0.30% and \$2,811,505, respectively. The proportion existing at the prior measurement date was 0.33%. This represents a change in proportion of -0.04% between the current and prior measurement dates. The College's proportion of the collective net OPEB liability was based on a projection of the its long-term share of contributions to the OPEB plan relative to the projected share of contributions of all participating employers, actuarially determined. The collective net OPEB liability was determined by an actuarial valuation with a valuation date of June 30, 2019 and measurement date of June 30, 2019.

**OPEB expense** - For the fiscal year ended June 30, 2020, the College recognized OPEB expense of \$145,110.

**Deferred outflows of resources and deferred inflows of resources** - For the fiscal year ended June, 30, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB paid by the EGOP from the following sources:

<u>EGOP</u>		
	Deferred Outflows of resources	Deferred Inflows of resources
Differences between actual and expected experience		\$ 179,017
Changes of assumptions	\$153,660	671,577
Net difference between actual and projected investment earnings	2,064	
Changes in proportion and differences between benefits paid and proportionate share of benefits paid.	481,517	900,780
Contributions subsequent to the measurement date	484,802	-
Total	<u>\$1,122,043</u>	<u>\$1,751,374</u>

The amounts shown above for "contributions subsequent to the measurement date" will be recognized as a reduction to the collective net OPEB liability in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB paid by the EGOP will be recognized in OPEB expense as follows:

<u>EGOP</u>	
For the year ended June 30:	
2021	\$(182,063)
2022	(182,063)
2023	(182,063)
2024	(182,063)
2025	(182,579)
Thereafter	(203,302)

In the tables above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.



**Actuarial assumptions** - The collective total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20%
Salary increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4 percent
Healthcare cost trend rates	6.03% for 2020, decreasing annually to an ultimate rate of 4.71%
Retiree's share of benefit-related costs	Members are required to make monthly contributions in order to maintain their coverage. For the purpose of this valuation a weighted average has been used with weights derived from the current distribution of members among plans offered.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the July 1, 2018 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS) for Group I employees. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2% load for males and a -3% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load.

**Long-term expected rate of return** - The long-term expected rate of return of 6 percent on OPEB Trust investments was established by consultation with the plan actuaries and TCRS investment staff. TCA 8-27-802 establishes the responsibility of the trustees to adopt written investment policies authorizing how assets in the OPEB Trust may be invested and reinvested by the State Treasurer. The treasurer may invest trust assets in any security or investment in which the Tennessee Consolidated Retirement System (TCRS) is permitted to invest, provided that investments by the OPEB Trust shall be governed by the investment policies and guidelines adopted by the trustees. Any changes to the investment policy will be the responsibility of the established trustees. The OPEB Trust investment policy target asset allocation and allocation range for each major asset class is summarized in the following table:

Asset Class	Allocation Range		
	Minimum	Maximum	Target Allocation
Equities	25%	80%	53%
Fixed income and short-term securities	20%	50%	25%
Real estate	0%	20%	10%
Private equity and strategic lending	0%	20%	7%
Cash and cash equivalents	0%	25%	5%
			100%

The best-estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
U.S. equity	5.69%
Private equity and strategic lending	5.79%
U.S. fixed income	2.01%
Real estate	4.32%
Short-term securities	0.00%

**Discount rate** - The discount rate used to measure the total OPEB liability was 6%. This represents an increase of 2.38% over the 3.62% used at the prior measurement date. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the ADC rates pursuant to an actuarial valuation in accordance with the state's funding goals. Inactive plan members are assumed to contribute their share of the premium rate for the coverage option in which they are enrolled. Based on those assumptions, the OPEB Trust fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The change in discount rate used is due to the transition of the EGOP from a pay-as-you-go arrangement to a prefunding arrangement through a qualified trust.

**Changes in assumptions** - The health trend rates for fiscal year 2021 and beyond have increased between .02% and .97% from what was used in the prior valuation. Additionally, the assumed initial per capita costs and premium amounts were revised to reflect rates adopted for the 2020 plan year. These changes in assumptions increased the net OPEB liability.

**Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate** - The following presents the College's proportionate share of the collective net OPEB liability of the EGOP, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease (5.0%)	Discount Rate (6.0%)	1% Increase (7.0%)
Proportionate share of the collective total OPEB liability	\$3,050,803	\$2,811,505	\$2,588,603

**Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate** - The following presents the College's proportionate share of the collective net OPEB liability of the EGOP, as well as what the proportionate share of the collective net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate.

	1% Decrease (5.03% decreasing to 3.71%)	Healthcare Cost Trend Rates (6.03% decreasing to 4.71%)	1% Increase (7.03% decreasing to 5.71%)
Proportionate share of the collective total OPEB liability	\$2,500,602	\$2,811,505	\$3,169,102

***OPEB plan fiduciary net position*** - Detailed information about the OPEB plan's fiduciary net position is available in the State of Tennessee Comprehensive Annual Financial Report found at <https://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html>.

### **Closed Tennessee Plan**

General information about the OPEB plan

***Plan description*** - Employees of the College, who were hired prior to July 1, 2015 and choose coverage, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan (TNP) administered by the Tennessee Department of Finance and Administration. This plan is considered to be multiple-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB). However, for accounting purposes, this plan will be treated as a single-employer plan. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The primary government as well as the Tennessee Student Assistance Corporation, the Tennessee Housing Development Agency, the University of Tennessee and the other institutions that make up the State University and Community College System also participates in this plan. This plan also serves eligible post-65 retirees of employers who participate in the state administered Teacher Group Insurance and Local Government Insurance Plans.

***Benefits provided*** - The TNP is offered to help fill most of the coverage gaps created by Medicare and is the only postemployment benefit provided to eligible post-65 retired and disabled employees of participating employers. This plan does not include pharmacy. In accordance with Tennessee Code Annotated (TCA) 8-27-209, benefits are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receive a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Many retirees receive direct subsidies toward their premium cost, however, participating employers determine their own policy in this regard. The primary government contributes to the premiums of component unit retirees based on years of service. Therefore, retirees with 30 years of service receive \$50 per month; 20 but less than 30 years, \$37.50; and 15 but less than 20 years, \$25. The College does not provide any subsidies for retirees in the TNP. The primary government paid \$30,150 for OPEB as the benefits came due during the reporting period. This plan is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

In accordance with TCA 8-27-209, the state insurance committees established by TCAs 8-27-201, 8-27-301 and 8-27-701 determine the required payments to the plan by member employers and employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies.

### **Total OPEB Liability and OPEB Expense**

***Proportionate share*** - The primary government is entirely responsible for the TNP OPEB associated with the College's employees. The primary government's proportionate share of the total OPEB liability associated with the College was \$702,851. At the June 30, 2019, measurement date, the proportion of the collective total OPEB liability associated with the College was 0.0004%. This represents a change of 0% from the prior proportion of 0.0004%. The College's proportion of the collective total OPEB liability was based on a projection of the its long-term share of contributions to the OPEB plan relative to the projected share of contributions of all participating employers, actuarially determined. The collective total OPEB liability was determined by an actuarial valuation with a valuation date of June 30, 2019 and measurement date of June 30, 2019.

**Actuarial assumptions** - The collective total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20%
Salary increases	Graded salary ranges from 3.44 to 8.72 percent based on age, including inflation, averaging 4 percent
Healthcare cost trend rates	The premium subsidies provided to retirees in the Tennessee Plan are assumed to remain unchanged for the entire projection; therefore, trend rates are not applicable.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2018, valuations were the same as those employed in the July 1, 2017 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS) for Group I employees. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2% load for males and a -3% load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10% load.

**Discount rate** - The discount rate used to measure the total OPEB liability was 3.51 percent. This rate reflects the interest rate derived from yields on 20-year, tax-exempt general obligation municipal bonds, prevailing on the measurement date, with an average rating of AA as shown on the Bond Buyer GO 20-Bond Municipal Bond Index.

**Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate** - The following presents primary governments proportionate share of the College's related collective total OPEB liability, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate. The College does not report a proportionate share of the OPEB liability for employees in the TNP.

	1% Decrease (2.51%)	Discount Rate (3.51%)	1% Increase (4.51%)
Primary government share of the collective total OPEB liability	\$790,724	\$702,851	\$628,967

**OPEB expense** - For the fiscal year ended June 30, 2020, the primary government recognized OPEB expense of \$23,054 for employees of the College participating in the TNP.

**Total OPEB Expense** - The total OPEB expense for the year ended June 30, 2020, was \$168,164, which consisted of OPEB expense of \$145,110 for the EGOP and \$23,054 paid by the primary government for the TNP.

**13. Revenues**

A summary of adjustments and allowances by revenue classification is presented as follows:

Revenue Source	Gross Revenue	Less Scholarship Allowances	Less Uncollectible Debts	Net Revenue
Operating Revenues:				
Tuition and fees	\$26,788,679.15	(\$15,587,232.08)	(\$307,144.24)	\$10,894,302.83
Total	\$26,788,679.15	(\$15,587,232.08)	(\$307,144.24)	\$10,894,302.83

**14. Insurance-Related Activities**

It is the policy of the state not to purchase commercial insurance for the risks associated with casualty losses for general liability, automobile liability, professional medical malpractice liability, and workers' compensation. By statute, the maximum liability for general liability, automobile liability, and medical malpractice liability is \$300,000 per person and \$1 million per occurrence. The state's management believes it is more economical to manage these risks internally and set aside assets for claim settlement in its internal service fund, the Risk Management Fund (RMF). The state purchases commercial insurance for real property, crime and fidelity coverage on the state's officials and employees, and cyber liability coverage. For property coverage, the deductible for an individual state agency is the first \$25,000 of losses. The RMF is responsible for property losses for the annual aggregate deductible of \$7.5 million for perils other than earthquake and flood. Purchased insurance coverage is responsible for losses exceeding the \$7.5 million annual aggregate deductible. For earthquake and flood, there is a deductible of \$10 million per occurrence. The maximum insurance coverage is \$750 million per year for perils other than earthquake and flood. The maximum flood insurance coverage is \$50 million per occurrence, except there is only \$25 million of coverage in flood zones A and V. The maximum earthquake insurance coverage is \$50 million per occurrence. The amounts of settlements have not exceeded insurance coverage for each of the past three fiscal years.

The College participates in the Risk Management Fund. The fund allocates the cost of providing claims servicing and claims payment by charging a premium to the College based on a percentage of the College expected loss costs, which include both experience and exposures. This charge considers recent trends in actual claims experience of the state as a whole. An actuarial valuation is performed as of fiscal year-end to determine the fund liability and premium allocation. Information regarding the determination of the claims liabilities and the changes in the balances of the claims liabilities for the years ended June 30, 2020, is presented in the Tennessee Comprehensive Annual Financial Report. The CAFR is available on the state's website at <http://www.tn.gov/finance/fa/fa-accounting-financial/fa-accfin-cafr.html>. Since the College participates in the Risk Management Fund, it is subject to the liability limitations under the provisions of the Tennessee Claims Commission Act, Tennessee Code Annotated, Section 9-8-101 et seq. Liability for negligence of the College for bodily injury and property damage is limited to \$300,000 per person and \$1,000,000 per occurrence. The limits of liability under workers' compensation are set forth in Tennessee Code Annotated, Section 50-6-101 et seq. Claims are paid through the state's Risk Management Fund. The amount of cash and cash equivalents designated for payment of claims held by the Risk Management Fund at June 30, 2020, was not available.

At June 30, 2020, the scheduled coverage for the College was \$173,457,000.00 for buildings and \$35,530,000.00 for contents.

The state has also set aside assets in the Employee Group Insurance Fund, an internal service fund, to provide a program of health insurance coverage for the employees of the state with the risk retained by the state. The College participates in the Employee Group Insurance Fund. The fund allocates the cost of providing claims servicing and claims payment by charging a premium to the College based on estimates of the ultimate cost of claims, including the costs of claims that have been reported but not settled and of claims that have been incurred but not reported. Employees and providers have 13 months to file medical claims.

**15. Commitments and Contingencies**

Sick Leave - The College records the cost of sick leave when paid. Generally, since sick leave (earned one day per month with unlimited accumulation) is paid only when an employee dies or is absent because of illness, injury, or related family death, there is no liability for sick leave at June 30. The dollar amount of unused sick leave was \$7,187,834.67 at June 30, 2020.

Operating Leases - The College has entered into various operating leases for buildings and equipment. Such leases will probably continue to be required. Expenses under operating leases for real and personal property were \$113,180.50 and \$54,624.33, respectively for the year ended June 30, 2020. All operating leases are cancelable at the lessee's option.

Construction in Progress - At June 30, 2020, outstanding commitments under construction contracts totaled \$19,456,748.99 for Madison teaching facility, ADA adaptations, interior lighting project, access controls, East Davidson roof replacement, sidewalk and lighting, and student welcome center. of which \$1,320,614.98 will be funded by future state capital outlay appropriations.

Litigation - The College was involved in one lawsuit, which may have a material effect on future financial statements.

**16. Natural Classifications with Functional Classifications**

The College's operating expenses by functional classification for the year ended June 30, 2020, are as follows:

Functional Classification	Natural Classification					
	Salaries	Benefits	Other Operating	Scholarships	Depreciation	Total
Instruction	\$13,244,767.38	\$4,130,614.60	\$4,607,562.46			\$21,982,944.44
Public Service	10,088.10					10,088.10
Academic Support	4,177,193.27	1,986,859.51	(475,847.92)			5,688,204.86
Student Services	2,967,881.36	1,267,033.95	1,244,687.71			5,479,603.02
Institutional Support	2,839,991.10	1,273,760.32	1,630,030.66			5,743,782.08
M&O	1,719,890.66	809,624.45	3,915,948.36			6,445,463.47
Scholars & Fellows				\$10,844,466.68		10,844,466.68
Auxiliary			4,216.47			4,216.47
Depreciation					\$2,313,110.28	2,313,110.28
Total Expenses	\$24,959,811.87	\$9,467,892.83	\$10,926,597.74	\$10,844,466.68	\$2,313,110.28	\$58,511,879.40

Expenses initially incurred by the academic support function as a result of providing internal services to the other functional classifications were allocated to the other functional areas by reducing the academic support function's operating expenses by the total amount of salaries, benefits, and operating expenses incurred in the provision of these services, and allocating this amount to the other functional areas' operating expenses on the basis of usage. As a result of this process, expenses totaling \$2,738,176.10 were reallocated from academic support to the other functional areas and caused academic support operating expenses to appear as a negative amount in the schedule above.

**17. On-Behalf Payments**

During the year ended June 30, 2020, the State of Tennessee made payments of \$30,150.00 on behalf of the College for retirees participating in the Closed Tennessee OPEB Plan. The Closed Tennessee OPEB Plan is a postemployment benefit healthcare plan and is discussed further in Note 12. The CAFR is available on the state's website at [www.tn.gov/finance/rd-doa/fa-accfin-cafr.html](http://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html).

**18. Component Unit**

Nashville State Community College Foundation is a legally separate, tax-exempt organization supporting Nashville State Community College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The 23-member board

of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

The Foundation is a nonprofit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the Foundation's financial information in the College's financial report for these differences.

During the year ended June 30, 2020, the Foundation made distributions of \$131,326.98 to or on behalf of the College for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from Mary M. Cross, Vice President of Finance and Administrative Services, Nashville State Community College, 120 White Bridge Road, Nashville, TN 37209.

Fair Value Measurements. The Foundation reports certain assets at fair value. Fair value has been determined using quoted prices in active markets for identical assets that are accessible at the measurement date (Level 1), inputs other than quoted market prices included in Level 1 that are directly or indirectly observable for the asset or liability (Level 2), or significant unobservable inputs (Level 3). The following table categorizes the recurring fair value measurements for assets and liabilities at June 30, 2020:

	Total Fair Value at June 30, 2020	Quoted Prices: In Active Markets for Identical Assets Level 1	Significant Other Inputs: Level 2	Significant Unobservable Inputs: Level 3	Investments Measured at the Net Asset Value (NAV)
Assets:					
Other:					
Fixed, balanced, and international mutual funds	\$436,951.53	\$436,951.53			
Equity mutual funds	298,660.60	298,660.60			
Total Assets	\$735,612.13	\$735,612.13			

Cash and Cash Equivalents – Cash and cash equivalents consists of demand deposit accounts, certificates of deposit, money market funds and Local Government Investment Pool funds. The bank balances at June 30, 2020, were entirely insured.

Investments – Investments are recorded on the date of contribution and are stated at market value. Unrealized gains and losses are determined by the difference between market values at the beginning and end of the year. Investment securities held at year-end were as follows:

	June 30, 2020	
	Cost	Market Value
Fixed, balanced, and international mutual funds	\$415,334.47	\$436,951.53
Equity mutual funds	260,901.66	298,660.60
Total	\$676,236.13	\$735,612.13

Liquidity and Availability – Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of net position date, comprise the following:

Cash and cash equivalents	\$56,042.94
Total	\$56,042.94

The Foundation's endowment funds consist of donor-restricted endowments and a quasi-endowment. Income from donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. The quasi-endowment has a spending rate of 0 percent. \$56,042.94 from the quasi-endowment will be available within the next 12 months.

The Foundation does not have a liquidity management plan.

Endowments - The Nashville State Community College Foundation's endowment consists of 15 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net position associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

#### Interpretation of Relevant Law

The Board of Trustees of the Nashville State Community College Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (the Act) as adopted by Tennessee as being required to preserve the historic dollar value of the original gift with consideration to any donor stipulations that may apply. As a result of this interpretation, the Nashville State Community College Foundation classifies as permanently restricted net position (1) the original value of gifts donated to the permanent endowment; (2) the original value of subsequent gifts to the permanent endowment; and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net position is classified as temporarily restricted net position until the Foundation appropriates those amounts for expenditure in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) the duration and preservation of the fund; (2) the purposes of the Foundation and the endowment fund; (3) general economic conditions; (4) the possible effect of inflation or deflation; (5) the expected total return from income and the appreciation of investments; (6) other resources of the Foundation; and (7) the investment policies of the Foundation.

Endowment Net Asset Composition by Type of Fund As of June 30, 2020			
	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment funds	\$56,042.94		\$56,042.94
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor		\$636,775.66	\$636,775.66
Accumulated investment gains		74,218.70	74,218.70
Total funds	\$56,042.94	\$710,994.36	\$767,037.30

Changes in Endowment Net Position As of June 30, 2020			
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$54,443.66	\$672,965.52	\$727,409.18
Investment return, net	2,599.26	33,734.85	36,334.11
Contributions		20,000.00	20,000.00
Appropriation of endowment assets for expenditure	(999.98)	(15,706.01)	(16,705.99)
Endowment net assets, end of year	\$56,042.94	\$710,994.36	\$767,037.30



### Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that achieve a proper mix of safety of principal, current income, liquidity, and growth. The Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 5 percent annually or 4 percent plus current inflation rate. Actual returns in any given year may vary from this amount.

### Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk restraints.

### Spending Policy and How the Investment Objectives Relate

The Foundation has a policy of appropriating for distribution each year only a portion of the investment income (including changes in the value of the investments) each year. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Under the spending plan established by the Foundation for endowments with a base of more than \$10,000, 95% of investment earnings, on endowments not otherwise specifying spending plan, are available for allocation. The remaining amount, if any, is added to the endowment base. On endowments with a balance of less than \$10,000, all earnings are added to the base endowment. In establishing this policy, the Foundation considered the long-term expected return on its endowment. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. The Foundation has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations.

### Natural Classifications with Functional Classifications

The Foundation's operating expenses by functional classification for the year ended June 30, 2020, are as follows:

Functional Classification	Natural Classification					Total
	Salaries	Benefits	Other Operating	Scholarships	Payments Made to or on Behalf of Institution	
Program services	\$144,496.18	\$36,124.04	\$59,654.80	\$874,854.59		\$1,115,129.61
Support activities	61,234.84	15,308.71	69,700.72			146,244.27
Payments to college					\$131,326.98	131,326.98
Total Expenses	\$205,731.02	\$51,432.75	\$129,355.52	\$874,854.59	\$131,326.98	\$1,392,700.86

The Foundation's financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits which are allocated on the basis of work performed.

Support from Nashville State Community College – During fiscal year 2020, the College paid certain payroll costs for College personnel who also performed services supporting the Foundation amounting to

\$257,163.77. These supporting costs paid by the College are reflected in the statement of revenues, expenses, and changes in net position as College support, with a like amount included in expenses. The College provides office space and the use of certain common facilities and services to the Foundation at no cost. These costs of \$30,217.50 have been recorded as College support because they are considered to be significant to the operations of the Foundation.

**NASHVILLE STATE COMMUNITY COLLEGE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Closed State and Higher Education Employee Pension Plan Within TCRS**  
**Fiscal Year Ending June 30, 2020**

	<u>Institution's portion of the net pension liability</u>	<u>Institution's proportionate share of the net pension liability</u>	<u>Institution's covered payroll</u>	<u>Institution's proportionate share of the net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2019	0.438841%	\$ 6,197,157.00	\$ 9,894,276.00	62.63%	91.67%
2018	0.415342%	6,709,482.00	9,611,308.11	69.81%	90.26%
2017	0.398310%	7,128,158.00	9,555,646.00	74.60%	88.88%
2016	0.426060%	7,773,743.00	10,402,355.00	77.68%	87.96%
2015	0.427533%	5,512,105.00	11,163,828.00	49.37%	91.26%
2014	0.428364%	2,955,490.00	11,702,568.00	25.20%	95.11%

(1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available

(2) To correspond with the measurement date, the amounts presented were determined as of June 30 of the prior fiscal year.

**NASHVILLE STATE COMMUNITY COLLEGE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**State and Higher Education Employee Retirement Plan Within TCRS**  
**Fiscal Year Ending June 30, 2020**

	Institution's portion of the net pension liability	Institution's proportionate share of the net pension liability	Institution's covered payroll	Institution's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.403924%	\$ (167,537.00)	\$ 3,789,063.00	-4.42%	122.36%
2018	0.450963%	\$ (173,952.00)	\$ 3,291,557.09	-5.28%	132.39%
2017	0.481151%	\$ (99,784.00)	\$ 2,523,893.00	-3.95%	131.51%
2016	0.511220%	\$ (43,068.00)	\$ 1,575,065.00	-2.76%	130.56%
2015	0.397984%	\$ (11,068.00)	\$ 437,903.00	-2.55%	142.55%

(1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available

(2) To correspond with the measurement date, the amounts presented were determined as of June 30 of the prior fiscal year.

**NASHVILLE STATE COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Contributions  
Closed State and Higher Education Employee Pension Plan Within TCRS  
Fiscal Year Ended June 30, 2020**

	Contractually Determined Contributions	Contributions in Relation to Contractually Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 1,890,820.00	\$ 1,890,820.00	-	\$ 9,617,597.00	19.66%
2019	1,902,739.72	1,902,739.72	-	9,894,643.04	19.23%
2018	1,813,654.00	1,813,654.00	-	9,611,308.11	18.87%
2017	1,435,258.00	1,435,258.00	-	9,555,646.00	15.02%
2016	1,562,015.00	1,562,015.00	-	10,402,355.00	15.03%
2015	1,677,924.00	1,677,924.00	-	11,163,828.00	15.03%
2014	1,758,895.00	1,758,895.00	-	11,702,568.00	15.03%
2013	1,699,230.00	1,699,230.00	-	11,305,588.82	15.03%
2012	1,719,887.55	1,719,887.55	-	11,535,127.77	14.91%
2011	1,498,285.10	1,498,285.10	-	10,048,860.50	14.91%

(1) To correspond with the reporting date, the amounts presented were determined as of June 30 of the stated fiscal year.

(2) In 2017, the following assumptions were changed: decreased inflation rate from 3.00% to 2.50%; decreased the investment rate of return from 7.50% to 7.25%; decreased the cost-of-living adjustment from 2.50% to 2.25%; and decreased the salary growth graded ranges from an average of 4.25% to an average of 4.00%.

**NASHVILLE STATE COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Contributions  
State and Higher Education Employee Retirement Plan Within TCRS  
Fiscal Year Ended June 30, 2020**

	Contractually Determined Contributions	Contributions in Relation to Contractually Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 88,287.00	\$ 88,287.00	-	5,103,297.00	1.7%
2019	147,721.60	147,721.60	-	3,789,062.93	3.9%
2018	129,258.00	44,530.00	84,728.00	3,291,557.09	3.9%
2017	98,390.00	98,390.00	-	2,523,893.00	3.9%
2016	60,955.00	60,955.00	-	1,575,065.00	3.9%
2015	16,946.85	16,946.85	-	437,903.00	3.9%

- (1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available.
- (2) In 2017, the following assumptions were changed: decreased inflation rate from 3.00% to 2.50%; decreased the investment rate of return from 7.50% to 7.25%; decreased the cost-of-living adjustment from 2.50% to 2.25%; and decreased the salary growth graded ranges from an average of 4.25% to an average of 4.00%.

**NASHVILLE STATE COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of the Employer Proportionate Share of the Collective Total OPEB Liability  
State Employee Group OPEB Plan  
Fiscal Year Ending June 30, 2020**

	2020	2019	2018
Institution's proportion of the collective total OPEB liability	0.300000%	0.330000%	0.290000%
Institution's proportionate share of the collective total OPEB liability	\$ 2,811,505.00	\$ 4,637,443.00	\$ 3,831,111.00
Institution's covered-employee payroll	\$ 13,248,084.00	\$ 12,252,345.00	\$ 14,394,298.00
Institution's proportionate share of the collective total OPEB liability as a percentage of it's covered payroll	21.22%	37.85%	26.62%
OPEB plans fiduciary net position as a percentage of the total OPEB liability			18.00%

- (1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available.
- (2) The amounts reported for each fiscal year were determined as of the prior fiscal year-end.
- (3) During fiscal year 2019, the EGOP transitioned from a pay-as-you-go OPEB plan to a prefunding arrangement where assets are accumulated in a qualifying trust and benefits are paid from that trust. This change would be reflected in the June 30, 2020 reporting period due to the one year lookback on OPEB measurement.
- (4) The OPEB liability measured as of June 30, 2019 was measured with a 6% discount rate. This was a significant increase from the rate used in prior years and was due to the OPEB plans transition from pay-as-you-go funding to a prefunding arrangement through a qualifying trust.

**NASHVILLE STATE COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of Contributions to State of Tennessee Postemployment Benefits Trust  
State Employee Group OPEB Plan  
Fiscal Year Ended June 30, 2020**

		Actuarially Determined Contributions	Contributions in Relation to Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
2020	\$	484,802.00	\$ 484,802.00	\$ -	\$ 13,248,084.00	3.66%
2019		465,602.00	401,924.00	63,678.00	12,252,345.00	3.80%

(1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available.

(2) Actuarially determined contribution rates are determined based on valuations as of June 30 two years prior to the fiscal year in which the contributions are reported.



**NASHVILLE STATE COMMUNITY COLLEGE  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of the Employer Proportionate Share of the Collective Total OPEB Liability  
Tennessee OPEB Plan  
Fiscal Year Ending June 30, 2020**

	2020	2019	2018
Institution's proportion of the collective total OPEB liability	0.000000%	0.000000%	0.000000%
Primary government's share of the collective total OPEB liability related to institution	\$ 702,851.00	\$ 698,619.00	\$ 713,254.00
Institution's covered-employee payroll	\$ 15,240,650.00	\$ 14,749,585.00	\$ 14,394,298.00
Primary government's share of the collective total OPEB liability related to institution as a percentage of covered-employee payroll	0.00%	0.00%	0.00%

(1) This is a ten year schedule; however, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future years until ten years of information is available.

(2) The amounts reported for each fiscal year were determined as of the prior fiscal year-end.

(3) There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 related to this OPEB plan.

**Nashville State Community College**  
**Supplementary Information**  
**Supplementary Schedule of Cash Flows - Component Unit**  
**for the Year Ended June 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Gifts and contributions	\$ 1,167,337.52
Payments to suppliers and vendors	(18,166.36)
Payments for scholarships and fellowships	(874,854.59)
Payments to Nashville State Community College	(131,326.98)
Net cash provided (used) by operating activities	<u>\$ 142,989.59</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Private gifts for endowment purposes	\$ 20,000.00
Net cash provided (used) by non-capital financing activities	<u>\$ 20,000.00</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Net cash provided (used) by capital and related financing activities	<u>\$ -</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sales and maturities of investments	\$ 132,422.34
Income on investments	14,110.65
Purchase of investments	(118,129.06)
Net cash provided (used) by investing activities	<u>\$ 28,403.93</u>

Net increase (decrease) in cash and cash equivalents	\$ 191,393.52
Cash and cash equivalents - beginning of year	843,566.04
Cash and cash equivalents - end of year (Note 18)	<u><u>\$ 1,034,959.56</u></u>

**RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income/(loss)	\$ (225,363.34)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Noncash operating expenses	287,381.27
Change in assets, liabilities, and deferrals:	
Accounts payable	80,971.66
Net cash provided (used) by operating activities	<u><u>\$ 142,989.59</u></u>

**Non-cash investing, capital, and financing transactions**

Unrealized gains/(losses) on investments	\$ 21,409.31
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The notes to the financial statements are an integral part of this statement.

**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF BALANCES IN UNRESTRICTED CURRENT FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**With Comparative Figures as of June 30, 2019**  
**Unaudited**

	<u>Current Year</u>	<u>Prior Year</u>
<b>ALLOCATED</b>		
Non-discretionary Allocations		
Allocation for Working Capital:		
Petty Cash	\$ 1,800.00	\$ 1,900.00
Accounts Receivable	1,552,857.40	1,334,793.15
Due from Primary Government Receivable	4,398.00	27,120.11
Accrued Benefits on Faculty Salaries	(276,715.25)	(341,960.37)
Prepaid Expenditures	25,133.52	124,357.26
Total Allocation for Working Capital	<u>\$ 1,307,473.67</u>	<u>\$ 1,146,210.15</u>
Allocation for Encumbrances:	<u>\$ 962,450.29</u>	<u>\$ 360,422.82</u>
Total Non-discretionary Allocations	<u>\$ 962,450.29</u>	<u>\$ 360,422.82</u>
Discretionary Allocations		
Special Allocations	<u>\$ 18,191,028.87</u>	<u>\$ 13,067,500.00</u>
Total Discretionary Allocations	<u>\$ 18,191,028.87</u>	<u>\$ 13,067,500.00</u>
Allocation for Compensated Absences	\$ (1,370,039.75)	\$ (1,131,862.91)
Allocation for OPEB Obligation	(2,711,698.00)	(3,780,527.00)
Allocation for Technology Access Fees	126,845.92	299,067.00
Allocation for Pension	(3,953,328.00)	(3,275,128.68)
<b>UNALLOCATED</b>		-
Total Unrestricted Educational and General Funds	<u><u>\$ 11,245,259.33</u></u>	<u><u>\$ 5,539,471.23</u></u>

**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF BALANCES IN AUXILIARY ENTERPRISES FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**With Comparative Figures as of June 30, 2019**  
**Unaudited**

	<u>Current Year</u>	<u>Prior Year</u>
<b>ALLOCATED</b>		
Non-discretionary Allocations		
Allocation for working capital:		
Accounts Receivable	\$ 20,418.25	\$ 43,647.73
Total Allocation for working capital	<u>\$ 20,418.25</u>	<u>\$ 43,647.73</u>
 Total Non-discretionary Allocations	 <u>\$ 20,418.25</u>	 <u>\$ 43,647.73</u>
 Discretionary Allocations		
Allocation for contingencies	\$ 17,200.00	\$ 23,000.00
Total Discretionary Allocations	<u>\$ 17,200.00</u>	<u>\$ 23,000.00</u>
 <b>UNALLOCATED</b>	 <u>\$ 5,946,869.33</u>	 <u>\$ 5,599,294.83</u>
 Total Auxiliary Enterprises Fund Balances	 <u><u>\$ 5,984,487.58</u></u>	 <u><u>\$ 5,665,942.56</u></u>

**Nashville State Community College**  
**Schedule of Current Funds Revenue**  
**For the Year Ended June 30, 2020**  
**Unaudited**

Schedule 2

	UNRESTRICTED	RESTRICTED	TOTAL	PRIOR YEAR TOTAL
<b>Tuition and Fees</b>				
Application Fees	(20.00)		(20.00)	(240.00)
Campus Access Fee	227,468.00		227,468.00	228,842.25
Clep Testing Fees	4,100.00		4,100.00	4,400.00
I D Replacement Fees	230.00		230.00	460.00
Late Registration Fees	19,725.00		19,725.00	69,075.00
Library Fines	53.94		53.94	91.96
Locker Fees	26.00		26.00	14.00
Maintenance Fees	23,284,171.87		23,284,171.87	23,760,334.42
Non Student Proctoring Fees			0.00	100.00
Nursing Fees	43,987.50		43,987.50	36,387.50
Out Of State Tuition	629,725.50		629,725.50	708,406.75
Returned Check Fines	2,370.00		2,370.00	2,040.00
Rodp Maintenance	775,205.00		775,205.00	778,636.00
Rodp Online Fee	364,044.25		364,044.25	312,418.00
Rodp Out Of State	31,546.00		31,546.00	36,302.00
Special Exam Fees	275.75		275.75	350.00
Study Aboard Fees			0.00	900.00
Technology Access	1,278,082.00		1,278,082.00	1,326,124.00
Workforce Training Open Enrollment	127,688.34		127,688.34	114,028.10
<b>Total Tuition and Fees</b>	<b>\$26,788,679.15</b>	<b>\$0.00</b>	<b>\$26,788,679.15</b>	<b>\$27,378,669.98</b>
<b>Appropriations</b>				
State Appropriations	23,390,500.00	96,700.00	23,487,200.00	21,984,400.00
State Appropriations Medicare	30,150.00		30,150.00	555,097.00
<b>Total Appropriations</b>	<b>\$23,420,650.00</b>	<b>\$96,700.00</b>	<b>\$23,517,350.00</b>	<b>\$22,539,497.00</b>
<b>Government Grants &amp; Contracts</b>				
Federal Grants And Contracts	13,626.00	15,857,448.33	15,871,074.33	14,273,976.08
Local Contracts Workforce Training	3,125.00		3,125.00	
Local Grants		16,258.49	16,258.49	7,096.00
Local Grants And Contracts	1.00		1.00	2.00
State Grants And Contracts		9,934,499.07	9,934,499.07	9,806,432.94
Tra-Nscc			0.00	6,189.00
<b>Total Government Grants &amp; Contracts</b>	<b>\$16,752.00</b>	<b>\$25,808,205.89</b>	<b>\$25,824,957.89</b>	<b>\$24,093,696.02</b>
<b>Private Gifts, Grants, &amp; Contracts</b>				
In Kind Gifts			0.00	80.00
Private Contracts	82,500.00		82,500.00	97,000.00
Private Contracts Workforce Train	82,728.79		82,728.79	53,982.55
Private Gifts		417,464.16	417,464.16	253,414.40
Private Grants		11,320.00	11,320.00	
<b>Total Private Gifts, Grants, &amp; Contracts</b>	<b>\$165,228.79</b>	<b>\$428,784.16</b>	<b>\$594,012.95</b>	<b>\$404,476.95</b>
<b>Sales and Services of Educational Activities</b>				
Accuplacer Test Fees	826.50		826.50	775.00

**Nashville State Community College**  
**Schedule of Current Funds Revenue**  
**For the Year Ended June 30, 2020**  
**Unaudited**

Schedule 2

	UNRESTRICTED	RESTRICTED	TOTAL	PRIOR YEAR TOTAL
<b>Sales and Services of Educational Activities</b>				
Library Copies Nsc	1,380.00		1,380.00	4,512.50
Mechatronic Certification Exam	5,100.00		5,100.00	3,450.00
Sales And Services Edu Act		3,500.00	3,500.00	
<b>Total Sales and Services of Educational Activities</b>	<b>\$7,306.50</b>	<b>\$3,500.00</b>	<b>\$10,806.50</b>	<b>\$8,737.50</b>
<b>Sales and Services of Other Activities</b>				
Gov deals	18,417.00		18,417.00	25,359.81
Parking Permits	10,590.00		10,590.00	11,100.00
Rental Of Facilities	116,265.04		116,265.04	116,220.04
Ttc Admin Fees			0.00	14,583.00
<b>Total Sales and Services of Other Activities</b>	<b>\$145,272.04</b>	<b>\$0.00</b>	<b>\$145,272.04</b>	<b>\$167,262.85</b>
<b>Other Sources</b>				
Banking Charges	30,799.21		30,799.21	64,976.60
Investment Income		74.48	74.48	105.11
Lgip Interest	1,106,878.08		1,106,878.08	1,525,512.59
Miscellaneous Income	55,682.36		55,682.36	47,188.68
Other Sources			0.00	4,437.85
Traffic Fines	19,015.00		19,015.00	46,850.00
<b>Total Other Sources</b>	<b>\$1,212,374.65</b>	<b>\$74.48</b>	<b>\$1,212,449.13</b>	<b>\$1,689,070.83</b>
<b>Auxiliary Enterprises Revenues</b>				
Bookstore Commissions	335,745.02		335,745.02	502,346.69
Bookstore Utilities	4,216.47		4,216.47	4,930.25
<b>Total Auxiliary Enterprises Revenues</b>	<b>\$339,961.49</b>	<b>\$0.00</b>	<b>\$339,961.49</b>	<b>\$507,276.94</b>
<b>Total Revenues</b>	<b>\$52,096,224.62</b>	<b>\$26,337,264.53</b>	<b>\$78,433,489.15</b>	<b>\$76,788,688.07</b>

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

	UNRESTRICTED	RESTRICTED	TOTAL	EXPENDITURES BY PURPOSE	
				PERSONAL	OTHER OPERATING EXPENSES
<b>Education and General Expenditures</b>					
<b>Instruction</b>					
Dickson Instruction	506,649.84		506,649.84	504,778.92	1,870.92
Accounting Rodp	28,074.01		28,074.01	23,312.24	4,761.77
Accounting Waverly	2,648.21		2,648.21	2,648.21	
Amer Assoc College Apprentice Grant		15,838.43	15,838.43	13,767.89	2,070.54
Architect Civil And Construct Tech	205,405.21		205,405.21	198,107.89	7,297.32
Art	228,077.23		228,077.23	225,779.08	2,298.15
Art Waverly	58,497.61		58,497.61	58,497.61	
Biology	919,720.49		919,720.49	866,787.01	52,933.48
Biology Clarksville	131,833.81		131,833.81	128,980.15	2,853.66
Biology East Davidson	24,156.41		24,156.41	10,248.28	13,908.13
Biology Southeast	314,311.37		314,311.37	296,118.93	18,192.44
Biology Waverly	179,832.98		179,832.98	176,346.80	3,486.18
Business & Applied Arts Clarksville	36,151.08		36,151.08	33,107.55	3,043.53
Business And Applied Arts East Davi	15,549.15		15,549.15	10,431.27	5,117.88
Business Management	876,910.79		876,910.79	854,917.54	21,993.25
Business Management Rodp	10,823.02		10,823.02	10,823.02	
Business Management Southeast	164,954.43		164,954.43	162,395.49	2,558.94
Cares Unemployment Rebate		2,989.88	2,989.88	2,989.88	
Center Of Emphasis		96,700.00	96,700.00	73,294.38	23,405.62
Central Processing Technology Certi	111,208.95		111,208.95	73,270.59	37,938.36
Chemistry	276,858.05		276,858.05	259,214.03	17,644.02
Chemistry Humphrey	1,787.56		1,787.56		1,787.56
Chemistry Southeast	45,045.14		45,045.14	29,534.32	15,510.82
Cis Rodp	38,501.49		38,501.49	38,501.49	
Communication Rodp	5,909.95		5,909.95	5,909.95	
Compensated Abs Alloc Instruction	(11,101.78)		(11,101.78)	(11,101.78)	
Computer Accounting	322,791.02		322,791.02	319,048.95	3,742.07
Computer Aided Design	115,047.78		115,047.78	107,446.62	7,601.16
Computer And Engineer Tech East Dav	7,696.59		7,696.59	7,696.59	
Computer Information Systems	(56.40)		(56.40)	(95.25)	38.85
Computer Information Technology	771,356.71		771,356.71	755,728.71	15,628.00
Computer Networking Technology	(23.98)		(23.98)	(23.98)	
Computer Service Alloc Instruction	1,749,503.69		1,749,503.69		1,749,503.69
Computer Technology Clarksville	63,135.95		63,135.95	63,135.95	
Computer Technology Southeast	24,024.53		24,024.53	22,248.53	1,776.00
Copy Machine Alloc	(244.44)		(244.44)		(244.44)
Culinary	327,506.24		327,506.24	291,453.34	36,052.90
Dependent Fee Waiver Instruction	33,059.25		33,059.25	33,059.25	
Digital Media Academy East Davidson	38,400.00		38,400.00		38,400.00
Early Childhood Dev Clarksville	77,473.12		77,473.12	74,041.31	3,431.81
Early Childhood Education	208,168.23		208,168.23	204,943.85	3,224.38
Early Childhood Rodp	42,331.03		42,331.03	42,331.03	
Education Waverly	1,873.11		1,873.11	1,873.11	
Electrical Engineering Technology	449,801.54		449,801.54	439,908.86	9,892.68
English	886,658.02		886,658.02	881,748.99	4,909.03
English As A Second Language	240,500.21		240,500.21	239,223.68	1,276.53

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

				EXPENDITURES BY PURPOSE		
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Education and General Expenditures						
Instruction						
English As A Second Language Sout	433,037.61		433,037.61	433,037.61		
English Clarksv ille	424,273.08		424,273.08	424,273.08		
English Dual Enrollment	169,908.29		169,908.29	106,008.29	63,900.00	
English East Davidson	99,544.93		99,544.93	99,544.93		
English Rodp	46,606.87		46,606.87	46,606.87		
English Southeast	530,589.13		530,589.13	525,914.68	4,674.45	
English Waverly	142,322.29		142,322.29	142,322.29		
Foreign Languages	80,087.07		80,087.07	80,087.07		
Give Grant- Vocational Ed		45,075.29	45,075.29	4,155.29	40,920.00	
Health Life Science Copier	(1,735.66)		(1,735.66)		(1,735.66)	
Health, Soc, And Life Sci Southeast	234,744.12		234,744.12	233,560.14	1,183.98	
Healthcare Management	133,830.91		133,830.91	132,520.85	1,310.06	
History Dual Enrollment	17,711.16		17,711.16	5,531.16	12,180.00	
History Waverly	77,641.42		77,641.42	77,641.42		
Hospitality Southeast Center	58,503.46		58,503.46	58,503.46		
Humanities Dual Enrollment	7,584.60		7,584.60	3,864.60	3,720.00	
Industrial Process Control Techn	226,392.70		226,392.70	217,363.36	9,029.34	
Information Systems (Infs)	2,373.42		2,373.42	2,373.42		
Instruction Work Scholarship	55,822.00		55,822.00		55,822.00	
Instruction Work Study	4,859.00	8,203.00	13,062.00	13,062.00		
Law Enforcement	183,884.35		183,884.35	180,841.35	3,043.00	
Liability Insurance Alloc Instr	122,884.00		122,884.00		122,884.00	
Math Clarksv ille	160,806.93		160,806.93	160,806.93		
Math Dual Enrollment	17,643.85		17,643.85	17,643.85		
Math East Davidson	9,129.48		9,129.48	9,129.48		
Math Rodp	17,367.11		17,367.11	17,367.11		
Math Southeast	313,056.96		313,056.96	313,056.96		
Math Waverly	147,817.40		147,817.40	147,817.40		
Mathematics	786,813.07		786,813.07	781,859.01	4,954.06	
Mechatronic	140,046.69		140,046.69	129,547.02	10,499.67	
Medicare Suppleme Alloc Instruction	10,663.00		10,663.00	10,663.00		
Mnps Gear Up Partnership Grant		420.06	420.06		420.06	
Music	208,674.37		208,674.37	206,982.21	1,692.16	
Music Technology	158,164.72		158,164.72	148,889.86	9,274.86	
Music Waverly	4,327.54		4,327.54	4,327.54		
Nscc General Foundation		142.10	142.10		142.10	
Nst Online	17,393.98		17,393.98	9,393.98	8,000.00	
Nursing	659,559.65		659,559.65	638,238.56	21,321.09	
Occupational Therapy	342,673.51		342,673.51	330,400.86	12,272.65	
Office Administration	210,971.08		210,971.08	205,603.48	5,367.60	
Opeb Alloc Instruction	51,318.84		51,318.84	51,318.84		
Paralegal Studies	98,481.91		98,481.91	83,757.39	14,724.52	
Pension Gasb 68	165,995.98		165,995.98	165,995.98		
Perkins Iv 19-20		32,028.00	32,028.00			32,028.00
Philosophy	217,869.82		217,869.82	217,847.43	22.39	
Photography	195,062.11		195,062.11	184,517.54	10,544.57	



### Schedule 3

				EXPENDITURES BY PURPOSE		
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Education and General Expenditures						
Instruction						
Physical Education	33,017.68		33,017.68	32,788.80	228.88	
Physics	96,959.36		96,959.36	96,558.56	400.80	
Police Science Waverly	4,036.88		4,036.88	4,036.88		
Position Advertising Instruction	3,980.53		3,980.53		3,980.53	
Psychology Waverly	77,737.94		77,737.94	77,737.94		
Quick Copy Allocations	(12,659.59)		(12,659.59)		(12,659.59)	
Quick Copy Services	13,373.46		13,373.46		13,373.46	
Science Dual Enrollment	33,762.08		33,762.08	6,362.08	27,400.00	
Sign Language	0.05		0.05		0.05	
Social & Life Science Clarksville	77,735.72		77,735.72	72,885.20	4,850.52	
Social Science Dual Enrollment	4,723.42		4,723.42	3,073.42	1,650.00	
Social Science Rodp	50,101.16		50,101.16	50,101.16		
Social Sciences	950,184.94		950,184.94	944,130.56	6,054.38	
Social Sciences East Davidson	15,669.86		15,669.86	15,669.86		
Social Services And Social Work	72,705.00		72,705.00	72,637.86	67.14	
Speech Communication	203,670.50		203,670.50	201,268.38	2,402.12	
Surgical Technology	319,868.25		319,868.25	297,530.38	22,337.87	
Tbr Advising Academy Grant	400.07	(400.07)	0.00			
Tbr Course Revitalization Grant		40,950.00	40,950.00	40,950.00		
Technology Access Fee	1,439,045.08		1,439,045.08	230,000.00	1,209,045.08	
Telephone Allocation Instruction	63,400.09		63,400.09		63,400.09	
Theater	5,034.07		5,034.07	5,034.07		
Tlsamp Phase Iii Tsu Nsf		16,990.03	16,990.03		16,990.03	
Tn Ecampus	(9,031.05)		(9,031.05)	(9,031.05)		
Tn Promise		26,142.05	26,142.05	13,500.00	12,642.05	
Unemployment Instruction	4,389.49		4,389.49	4,389.49		
Visual Communication	243,272.26		243,272.26	240,435.02	2,837.24	
Visual Communications Rodp	2,163.77		2,163.77	2,163.77		
Walmart Brighter Futures Grant		12,252.22	12,252.22	11,996.48	255.74	
Workforce Training Center Long Term	(269.12)		(269.12)	(269.12)		
Workforce Training Center Short Ter	418,079.98		418,079.98	324,150.49	93,929.49	
Total Instruction	\$20,626,861.83	\$297,330.99	\$20,924,192.82	\$16,892,906.81	\$3,999,258.01	\$32,028.00
Remedial						
Computer Services Alloc Remed Dev	65,980.14		65,980.14		65,980.14	
Dev elopmental Studies	151,727.97		151,727.97	151,319.62	408.35	
Learning Resource Center	193,270.66		193,270.66	191,519.92	1,750.74	
Liability Insurance Alloc Remed Dev	7,928.00		7,928.00		7,928.00	
Pension Gasb 68	(1,693.47)		(1,693.47)	(1,693.47)		
Remedial Developmental English So	141,169.04		141,169.04	136,280.33	4,888.71	
Remedial Developmental Math South	947.07		947.07	947.07		
Telephone Allocation Remed Dev	1,984.00		1,984.00		1,984.00	
Total Remedial	\$561,313.41	\$0.00	\$561,313.41	\$478,373.47	\$82,939.94	\$0.00
Public Service						

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

			EXPENDITURES BY PURPOSE		
			PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
	UNRESTRICTED	RESTRICTED	TOTAL		
Education and General Expenditures					
Public Service					
		10,088.10	10,088.10	10,088.10	
Total	Public Service	\$0.00	\$10,088.10	\$10,088.10	\$0.00
Academic Support					
	Academic Program Assessment	32,112.25	32,112.25		32,112.25
	Academic Support Work Scholarship	45,087.00	45,087.00		45,087.00
	Academic Support Work Study	2,224.42	25,181.42	25,181.42	
	Assoc Vp Extended Campuses	69,755.63	69,755.63	69,755.63	
	Assoc Vp Instructional Advancement	8,866.40	8,866.40	8,866.40	
	Av Computer Services	218.49	218.49		218.49
	Banner	499,670.44	499,670.44		499,670.44
	Bus Intelligence Strategy	50,800.00	50,800.00		50,800.00
	Cares Unemployment Rebate		727.92	727.92	
	Catalogue	16,803.25	16,803.25		16,803.25
	Clarksville Administration	506,032.10	506,032.10	463,900.77	42,131.33
	Compensated Absence Alloc Acad Supp	59,449.25	59,449.25	59,449.25	
	Computer Center	2,041,499.86	2,041,499.86	2,019,461.97	22,037.89
	Computer Lab Replacement Parts	9,600.18	9,600.18		9,600.18
	Computer Serv Alloc Acad Support	599,831.25	599,831.25		599,831.25
	Computer Services Allocations	(3,299,007.35)	(3,299,007.35)		(3,299,007.35)
	Computer Software And Licenses	748,236.87	748,236.87		748,236.87
	Dean English Humanities Creativ etec	183,396.82	183,396.82	177,445.68	5,951.14
	Dean Of Business Mgmt Hospitality	186,406.87	186,406.87	182,692.85	3,714.02
	Dean Of Health Social Life Science	168,455.73	168,455.73	164,407.11	4,048.62
	Dean Of Healthcare Professions	241,940.19	241,940.19	241,181.64	758.55
	Dean Of Math And Natural Sciences	419,994.20	419,994.20	412,884.76	7,109.44
	Dependent Fee Waiver Acad Support	10,976.50	10,976.50	10,976.50	
	Dickson Administration	295,358.37	295,358.37	287,824.24	7,534.13
	East Davidson Site Administration	150,110.01	150,110.01	141,276.74	8,833.27
	Extended Programs Copier	772.01	772.01		772.01
	Help Desk	18,241.74	18,241.74	17,902.76	338.98
	Hunters Lane Campus	13,919.71	13,919.71	8,655.05	5,264.66
	Liability Insur Alloc Public Serv	23,784.00	23,784.00		23,784.00
	Library	750,044.99	750,044.99	587,200.35	125,638.96
	Online Learning Program Administr	203,353.86	203,353.86	194,374.30	8,979.56
	Opeb Alloc Academic	39,889.48	39,889.48	39,889.48	
	Pension Gasb 68	115,978.76	115,978.76	115,978.76	
	Prison Education Program	29,974.50	29,974.50	21,679.97	8,294.53
	Professional Develop Teaching Ctr	2,955.63	2,955.63	2,602.18	353.45
	Southeast Center	635,240.87	635,240.87	592,541.64	42,699.23
	Southeast Site Administration	115,732.76	115,732.76		115,732.76
	Staff Development	23,629.45	23,629.45		23,629.45
	Tbr Safety And Security Grant		60,540.70		60,540.70
	Telephone Alloc Academic Support	22,856.02	22,856.02		22,856.02
	Unemployment Academic Support	3,452.31	3,452.31	3,452.31	
	Waverly Center	323,489.82	323,489.82	311,584.69	11,905.13

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

			EXPENDITURES BY PURPOSE			
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Education and General Expenditures						
Academic Support						
Total Academic Support	\$5,371,134.64	\$84,225.62	\$5,455,360.26	\$6,161,894.37	(\$804,280.49)	\$97,746.38
Student Services						
Accessibility Services	322,952.34		322,952.34	294,312.07	28,640.27	
Admissions	706,168.33		706,168.33	578,163.96	128,004.37	
Advising	510,130.73		510,130.73	504,454.09	5,676.64	
Av p Student Affairs	99,145.92		99,145.92	96,125.93	3,019.99	
Career Employ Ctr - Special Events	655.63	507.78	1,163.41		1,163.41	
Career Employment	152,151.87		152,151.87	147,459.41	4,692.46	
Cares Unemployment Rebate		4,036.08	4,036.08	4,036.08		
Compensated Abs Alloc Student Serv	77,064.43		77,064.43	77,064.43		
Computer Serv Alloc Stud Services	451,870.95		451,870.95		451,870.95	
Dependent Fee Waiver Stud Services	7,669.50		7,669.50	7,669.50		
Doe Administrative Costs		19,641.57	19,641.57	13,479.95	6,161.62	
Dual Enrollment General Adminstrati	275,690.97		275,690.97	271,293.05	4,397.92	
Financial Aid	792,545.91		792,545.91	650,505.96	142,039.95	
Liability Insurance Alloc Stud Serv	13,874.00		13,874.00		13,874.00	
Marketing And Public Information	664,697.14		664,697.14	347,825.34	316,871.80	
Nashville Grad Restricted		112,775.37	112,775.37	112,775.37		
Opeb Alloc Stud Serv	23,517.24		23,517.24	23,517.24		
Pd Sound Room	5,737.70		5,737.70		5,737.70	
Pension Gasb 68	34,988.58		34,988.58	34,988.58		
Records	516,147.91		516,147.91	501,042.12	15,105.79	
Recruiting	7,079.49		7,079.49		7,079.49	
Sers Exposure Grant		8,530.71	8,530.71	1,291.14	7,239.57	
Sers Institute Grant		18,941.56	18,941.56	1,563.99	17,377.57	
Sers Technology Grant		11,854.73	11,854.73	6,567.82	5,286.91	
Student Activities Clarksville	128.90		128.90		128.90	
Student Activities Dickson	406.04		406.04		406.04	
Student Activities Southeast Center	366.73		366.73		366.73	
Student Activities Waverly	664.36		664.36		664.36	
Student Life	138,627.51		138,627.51	95,918.03	42,709.48	
Student Services East Davidson	5,187.17		5,187.17		5,187.17	
Student Services Work Scholarship	12,882.00		12,882.00		12,882.00	
Student Services Work Study	47.97	11,427.00	11,474.97	11,474.97		
Tbr Advising Academy Grant	10,782.44	68,400.07	79,182.51	79,182.51		
Tbr Sers Academic Jumpstart Grant		11,498.61	11,498.61	9,606.63	1,891.98	
Tbr Southern Word Sers Grant		2,378.25	2,378.25		2,378.25	
Telephone Alloc Student Services	14,604.02		14,604.02		14,604.02	
Testing Center	326,826.02		326,826.02	291,276.99	35,549.03	
Unemployment Student Services	10,030.19		10,030.19	10,030.19		
Vet Military Pathways Thec Fy 19-20		27,166.27	27,166.27	26,544.34	621.93	
Veterans Reconnect Thec Fy 19-20		35,531.22	35,531.22	33,891.81	1,639.41	
Total Student Services	\$5,182,641.99	\$332,689.22	\$5,515,331.21	\$4,232,061.50	\$1,283,269.71	\$0.00

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

				EXPENDITURES BY PURPOSE		
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Education and General Expenditures						
Institutional Support						
Accounting	319,940.58		319,940.58	314,917.66	5,022.92	
Admin Prof Moving Interviewing Exp	3,979.25		3,979.25		3,979.25	
Administrative Assembly	610.35		610.35		610.35	
Bad Debt Expense	308,089.42		308,089.42		308,089.42	
Banking Charges	2,214.35		2,214.35		2,214.35	
Banking Charges Credit Cards	91,575.65		91,575.65		91,575.65	
Budget Office	137,278.99		137,278.99	137,043.88	235.11	
Bursars Office	405,049.47		405,049.47	378,224.16	26,825.31	
Compensated Abs Inst Support	76,983.91		76,983.91	76,983.91		
Computer Service Alloc Inst Support	384,890.81		384,890.81		384,890.81	
Data Entry Services	4,214.15		4,214.15	4,214.15		
Department Of Va Admin Fee		3,169.24	3,169.24		3,169.24	
Dependent Fee Waiver Inst Support	19,929.30		19,929.30	19,929.30		
Development Office	288,148.08		288,148.08	284,635.41	3,512.67	
Diversity Grant		52,265.78	52,265.78		52,265.78	
Faculty Senate	969.46		969.46		969.46	
Flexible Benefits	1,785.09		1,785.09		1,785.09	
Graduation	26,933.04		26,933.04		26,933.04	
Institutional Committee Expenses	1,954.22		1,954.22		1,954.22	
Institutional Memberships	41,577.50		41,577.50		41,577.50	
Institutional Research	153,961.27		153,961.27	147,296.29	6,664.98	
Institutional Support Work Scholars	8,588.00		8,588.00		8,588.00	
Institutional Support Work Study	99.14	18,881.00	18,980.14	18,980.14		
Internal Audit Tbr Allocation	155.00		155.00		155.00	
Internal Auditor	73,612.61		73,612.61	73,226.37	386.24	
Liability Insurance Alloc Inst Supp	17,838.00		17,838.00		17,838.00	
Motor Vehicle Allocations Legacy	5,800.00		5,800.00		5,800.00	
Opeb Alloc Insti Supp	32,223.24		32,223.24	32,223.24		
Payroll	200,439.08		200,439.08	197,417.43	3,021.65	
Pension Gasb 68	103,971.17		103,971.17	103,971.17		
Personnel	429,077.81		429,077.81	396,811.77	32,266.04	
Postage And Mailing	56,817.73		56,817.73		56,817.73	
Postage And Mailing Allocations	(50,923.15)		(50,923.15)		(50,923.15)	
Presidents Office	516,394.99		516,394.99	496,141.75	20,253.24	
Property Management	206,409.35		206,409.35	204,738.60	1,670.75	
Purchasing	91,693.90		91,693.90	91,535.92	157.98	
Purchasing Card Clearing	10,087.23		10,087.23		10,087.23	
Quality Enhancement Plan	12,410.72		12,410.72		12,410.72	
Special Projects	6,893.44		6,893.44		6,893.44	
Staff Assembly	14.95		14.95		14.95	
Strategic Initiatives	67,559.13		67,559.13	50,988.94	16,570.19	
Tbr Admin Support	165,200.00		165,200.00		165,200.00	
Tbr Chargeback	331,400.00		331,400.00		331,400.00	
Tbr Implementation Costs	129,000.00		129,000.00		129,000.00	
Tbr Meeting 62411	78,948.05		78,948.05		78,948.05	
Telephone	68,949.74		68,949.74		68,949.74	

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

			EXPENDITURES BY PURPOSE		
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES
					CAPITAL
<b>Education and General Expenditures</b>					
<b>Institutional Support</b>					
Telephone Alloc Inst Support	13,812.02		13,812.02		13,812.02
Telephone Allocated	(99,200.16)		(99,200.16)		(99,200.16)
Telephone Clarksville	7,776.36		7,776.36		7,776.36
Telephone Dickson	3,846.63		3,846.63		3,846.63
Telephone Southeast	8,525.61		8,525.61		8,525.61
Telephone Waverly	10,101.82		10,101.82		10,101.82
Unemployment Institutional Support	3,574.99		3,574.99	3,574.99	
Vice President Academics	137,443.56		137,443.56	113,944.24	23,499.32
Vice President Of Finance And Admin	543,238.64		543,238.64	504,825.21	38,413.43
Vp Of Economic & Community Dev	317,719.03		317,719.03	305,007.95	12,711.08
Vp Student Affairs & Enrollment Mgt	163,417.79		163,417.79	155,861.90	7,555.89
<b>Total Institutional Support</b>	<b>\$5,943,001.31</b>	<b>\$74,316.02</b>	<b>\$6,017,317.33</b>	<b>\$4,112,494.38</b>	<b>\$1,904,822.95</b>
<b>Operations &amp; Maintenance</b>					
Dickson Security	30,855.21		30,855.21	30,855.21	
Building Maintenance	606,084.68		606,084.68	468,101.29	137,983.39
Building Maintenance Clarksville	41,605.78		41,605.78	18,563.33	23,042.45
Building Maintenance East Davidson	23,172.43		23,172.43	13,765.33	9,407.10
Building Maintenance Southeast	117,915.56		117,915.56	52,028.91	65,886.65
Building Maintenance Waverly	110,990.15		110,990.15	102,633.38	8,356.77
Cares Unemployment Rebate		1,826.64	1,826.64	1,826.64	
Compens Abs Alloc Oper And Main	35,781.03		35,781.03	35,781.03	
Computer Serv Alloc Oper And Maint	231,930.51		231,930.51		231,930.51
Custodial Services	503,202.63		503,202.63	64,626.04	438,576.59
Custodial Services Clarksville	33,228.31		33,228.31		33,228.31
Custodial Services East Davidson	38,882.49		38,882.49		38,882.49
Custodial Services Southeast	142,351.00		142,351.00		142,351.00
Custodial Services Waverly	14,882.26		14,882.26	6,726.87	8,155.39
Dependent Fee Wavier Oper And Maint	18,754.00		18,754.00	18,754.00	
Dickson Facility Rental	113,180.50		113,180.50		113,180.50
Facilities Development Fee	26,700.00		26,700.00		26,700.00
Landscape & Grounds Clarksville	21,225.00		21,225.00		21,225.00
Landscape And Grounds	77,457.81		77,457.81		77,457.81
Landscape And Grounds Waverly	494.48		494.48		494.48
Liability Insur Alloc Oper And Main	11,892.00		11,892.00		11,892.00
Major Repairs And Renovations	177,603.92		177,603.92		177,603.92
Motor Vehicle Allocations	(26,305.43)		(26,305.43)		(26,305.43)
Motor Vehicle Operations	12,296.89		12,296.89		12,296.89
Opeb Alloc Phys Plant	17,649.24		17,649.24	17,649.24	
Peg Studio	(75.00)		(75.00)		(75.00)
Pension Gasb 68	44,938.57		44,938.57	44,938.57	
Physical Plant Administration	176,519.55		176,519.55	175,381.93	1,137.62
Safety And Security	1,175,876.19		1,175,876.19	1,095,139.35	80,736.84
Security Clarksville	65,564.55		65,564.55	63,013.01	2,551.54
Security East Davidson	26,563.07		26,563.07		26,563.07
Security Southeast Center	315,829.93		315,829.93	269,870.07	45,959.86

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

			EXPENDITURES BY PURPOSE			
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Education and General Expenditures						
Operations & Maintenance						
	48,042.31		48,042.31	46,471.40	1,570.91	
	8,544.01		8,544.01		8,544.01	
	2,132.36		2,132.36	2,132.36		
Total Operations & Maintenance	\$4,245,765.99	\$1,826.64	\$4,247,592.63	\$2,528,257.96	\$1,719,334.67	\$0.00
Utilities						
	(4,216.47)		(4,216.47)		(4,216.47)	
	54,417.31		54,417.31		54,417.31	
	90,417.17		90,417.17		90,417.17	
	890,320.25		890,320.25		890,320.25	
	517,334.05		517,334.05		517,334.05	
	65,045.81		65,045.81		65,045.81	
Total Utilities	\$1,613,318.12	\$0.00	\$1,613,318.12	\$0.00	\$1,613,318.12	\$0.00
Scholarships and Fellowships						
		1,500.00	1,500.00		1,500.00	
		6,138.89	6,138.89		6,138.89	
		1,000.00	1,000.00		1,000.00	
		10,200.00	10,200.00		10,200.00	
		1,000.00	1,000.00		1,000.00	
		500.00	500.00		500.00	
		1,000.00	1,000.00		1,000.00	
		1,875.00	1,875.00		1,875.00	
		600.00	600.00		600.00	
		500.00	500.00		500.00	
		750.00	750.00		750.00	
		2,074,800.87	2,074,800.87		2,074,800.87	
		750.00	750.00		750.00	
		300.00	300.00		300.00	
		1,050.00	1,050.00		1,050.00	
		1,000.00	1,000.00		1,000.00	
		3,800.00	3,800.00		3,800.00	
		500.00	500.00		500.00	
		1,000.00	1,000.00		1,000.00	
		719.50	719.50		719.50	
		500.00	500.00		500.00	
		3,000.00	3,000.00		3,000.00	
		1,000.00	1,000.00		1,000.00	
		250.00	250.00		250.00	
		500.00	500.00		500.00	
		750.00	750.00		750.00	
		322.00	322.00		322.00	
	40,391.00		40,391.00		40,391.00	
	15,563.00		15,563.00		15,563.00	
	31,212.00		31,212.00		31,212.00	

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

	UNRESTRICTED	RESTRICTED	TOTAL	EXPENDITURES BY PURPOSE	
				PERSONAL	OTHER OPERATING EXPENSES
<b>Education and General Expenditures</b>					
<b>Scholarships and Fellowships</b>					
Dual Enroll Scholarship Mid College	68,519.25		68,519.25		68,519.25
Dual Enroll Scholarship Montgomery	108,708.50		108,708.50		108,708.50
Dual Enroll Scholarship Houston	13,293.50		13,293.50		13,293.50
Dual Enrollment Scholarship Mnps	56,617.00		56,617.00		56,617.00
Dynametal Technologies		375.00	375.00		375.00
East High Alumni Sch		1,250.00	1,250.00		1,250.00
Enbright Credit Union		200.00	200.00		200.00
Fairfield Glade United Meth Church		500.00	500.00		500.00
Fellowship Sunday School Class		500.00	500.00		500.00
First Baptist Church Old Hickory		594.00	594.00		594.00
First United Methodist Church		250.00	250.00		250.00
Foundation Cathy O'Bryant		1,000.00	1,000.00		1,000.00
Foundation Culinary Arts		5,000.00	5,000.00		5,000.00
Foundation Issa Scholarship		3,000.00	3,000.00		3,000.00
Foundation Mayfield		5,200.00	5,200.00		5,200.00
Fourteenth Ave Baptist Church		1,500.00	1,500.00		1,500.00
Freed Hardeman University		36,885.00	36,885.00		36,885.00
Ft Campbell Spouse'S Club		1,400.00	1,400.00		1,400.00
Gary Russell 3 Memorial Scholarship		1,000.00	1,000.00		1,000.00
Gh Weems Educational Fund		600.00	600.00		600.00
Glenclyff High School Alumni		500.00	500.00		500.00
Goodlark Educational Foundation		500.00	500.00		500.00
Greater Faith Fellowship		250.00	250.00		250.00
Hillwood High School		250.00	250.00		250.00
Hooper Scholarship		8,360.00	8,360.00		8,360.00
Horizon Volunteer Org Sch		1,000.00	1,000.00		1,000.00
Ists		10,849.25	10,849.25		10,849.25
J> Carl Meadow Scholarship		500.00	500.00		500.00
Jason Proffitt		1,000.00	1,000.00		1,000.00
Kenosha Rotary Club		2,000.00	2,000.00		2,000.00
Kenwood High School		500.00	500.00		500.00
Kileen Isd Education Foundation		500.00	500.00		500.00
Killeen Lulac 4535 Foundation		1,000.00	1,000.00		1,000.00
Leach, Perry, & Kerr Mem Sch		500.00	500.00		500.00
Lottery Access Scholarship		25,158.00	25,158.00		25,158.00
Margaret Dill Scholarship		1,750.00	1,750.00		1,750.00
McGavock High School		1,000.00	1,000.00		1,000.00
Mdha Resident Sch		2,000.00	2,000.00		2,000.00
Meigs High School		1,000.00	1,000.00		1,000.00
Menominee Indian Tribe Of Wisconsin		2,400.00	2,400.00		2,400.00
Metro Nashville Education		4,312.50	4,312.50		4,312.50
Montgomery Central High		1,000.00	1,000.00		1,000.00
National Wild Turkey Federation		500.00	500.00		500.00
Nemak Alabama		500.00	500.00		500.00
Nightstalker Foundation		1,000.00	1,000.00		1,000.00
Nscc Brian Uhl Scholarship		4,000.00	4,000.00		4,000.00

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

				EXPENDITURES BY PURPOSE		
				PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
				UNRESTRICTED	RESTRICTED	TOTAL
Education and General Expenditures						
Scholarships and Fellowships						
Nscc Dickson High Noon Rotary Sch					1,000.00	1,000.00
Nscc EsI Student Ambassador Scholar					3,475.00	3,475.00
Nscc Foundation					5,000.00	5,000.00
Nscc Foundation Ambassador Sch					2,500.00	2,500.00
Nscc Foundation Endowed Sch					1,000.00	1,000.00
Nscc Foundation Faculty Staff Grant					2,873.00	2,873.00
Nscc General Foundation Fund					32,573.70	32,573.70
Nscc Hca Endowed Sch					3,125.00	3,125.00
Nscc Jacob Roberts					3,500.00	3,500.00
Nscc Jim Formosa Memorial					500.00	500.00
Nscc Lance Woodard Scholarship					2,500.00	2,500.00
Nscc Roberts-Williams					2,000.00	2,000.00
Nscc Ted Washington Scholarship					1,500.00	1,500.00
Nscc Wallace Wilson Scholarship				6,000.00		6,000.00
Nscc Witt Scholarship					3,000.00	3,000.00
One Barnes Scholarship					2,100.00	2,100.00
Pell Grants					13,340,865.03	13,340,865.03
President Scholarship				46,529.67		46,529.67
Project Great Knox v ille					500.00	500.00
Ramsey Solutions					3,000.00	3,000.00
Randy Brow n Memorial Sch					2,500.00	2,500.00
Regal Foundation					2,500.00	2,500.00
Retail Mgmt Scholarship					549.00	549.00
Scholarship America					9,000.00	9,000.00
Scott Gordon Memorial Scholarship					1,200.00	1,200.00
Seog					272,499.33	272,499.33
Sga Scholarship				7,057.00		7,057.00
Shelter Insurance					2,000.00	2,000.00
Shipp's Bend Umc					1,050.00	1,050.00
Smart Scholarship					165.00	165.00
Sonic Sch					1,000.00	1,000.00
St Thomas Health Services					31,749.00	31,749.00
Statutory Fee Waivers Senior Citi				107,863.50		107,863.50
Statutory Fee Waivers State Emplo y e				86,000.00		86,000.00
Statutory Fee Waivers State Emplo y e				48,464.94		48,464.94
Statutory Fee Waivers Teachers Depe				42,839.25		42,839.25
Tbr U T Employee Fee Waivers				34,198.50		34,198.50
Tels Combined Fund					2,193,782.00	2,193,782.00
Tels Dual Enrollment Fall					862,571.00	862,571.00
Tels Helping Heroes Grt Lottery					20,000.00	20,000.00
Tenn Baptist Mission Board					800.00	800.00
Tennessee Assoc Of Housing					750.00	750.00
Tennessee School Nutrition Assoc					1,000.00	1,000.00
Tennessee Student Assistance Corpor					1,647,585.00	1,647,585.00
Tennsco Corp.					1,000.00	1,000.00
The Actors' Fund					1,700.00	1,700.00



**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

				EXPENDITURES BY PURPOSE		
				PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
				UNRESTRICTED	RESTRICTED	TOTAL
Education and General Expenditures						
Scholarships and Fellowships						
The Community Foundation					12,868.00	12,868.00
Tn Foster Child					14,605.00	14,605.00
Tn Order Of The Eastern Star					500.00	500.00
Tn Promise Scholarship					1,426,583.50	1,426,583.50
Tn Reconnect					3,487,786.54	3,487,786.54
Tn School Food Service Assoc					1,000.00	1,000.00
Tncis Tuition Scholarship				537.00		537.00
Tnstars					1,148.04	1,148.04
Tom James Company					1,000.00	1,000.00
Tulsa Community Foundation					1,590.53	1,590.53
Union University					1,000.00	1,000.00
Va Tn Valley Healthcare					7,440.00	7,440.00
Vanleer Auxiliary					1,000.00	1,000.00
Vsac Scholarship					6,000.00	6,000.00
Walden Security					750.00	750.00
Wells Fargo					1,000.00	1,000.00
West Creek High School					125.00	125.00
Wilson One					500.00	500.00
Total Scholarships and Fellowships				\$713,794.11	\$25,676,198.68	\$26,389,992.79
Total Education and General Expenditures				\$44,257,831.40	\$26,476,675.27	\$70,734,506.67
Renewal Replacement Fund						
Renewal Replacement Fund						
Off Campus Development Transfer				1,348,660.38		1,348,660.38
Debt Service Fund Energy Improvem				68,700.00		68,700.00
Total Renewal Replacement Fund				\$1,417,360.38	\$0.00	\$1,417,360.38
Total Renewal Replacement Fund				\$1,417,360.38	\$0.00	\$1,417,360.38
Auxiliary Enterprises						
Auxiliary Enterprises Expenditures						
Bookstore Utilities				4,216.47		4,216.47
Bookstore Transfer				17,200.00		17,200.00
Total Auxiliary Enterprises Expenditures				\$21,416.47	\$0.00	\$21,416.47

**Nashville State Community College**  
**Schedule of Current Funds Expenditures and Transfers by Function**  
For the Year Ended June 30, 2020

Schedule 3

			EXPENDITURES BY PURPOSE			
	UNRESTRICTED	RESTRICTED	TOTAL	PERSONAL	OTHER OPERATING EXPENSES	CAPITAL
Auxiliary Enterprises						
Total Auxiliary Enterprises	\$21,416.47	\$0.00	\$21,416.47	\$0.00	\$21,416.47	\$0.00
Total Current Funds Expenditures & Transfers	\$45,696,608.25	\$26,476,675.27	\$72,173,283.52	\$34,416,076.59	\$37,627,432.55	\$129,774.38

**Nashville State Community College**  
**Schedule of Changes in Fund Balances - Restricted Current Funds**  
For the year ended June 30, 2020  
Unaudited

Schedule 4

	BALANCE 7/1/2019	ADDITIONS			DEDUCTIONS				BALANCE 6/30/2020
		GIFTS, GRANTS, & APPROPRIATIONS	ENDOWMENT INCOME	OTHER	INDIRECT COST RECOVERIES	EXPENDITURES	REFUNDS TO GRANTORS	OTHER	
<b>Instruction</b>									
Amer Assoc College Apprentice Grant		15,838.43				15,838.43			0.00
Architect Eng Tech	75.00								75.00
Cares Unemployment Rebate						2,989.88			(2,989.88)
Center Of Emphasis Workforce		96,700.00				96,700.00			0.00
Department Of Education Cwsp		8,203.00				8,203.00			0.00
Dupont Industrial Process Control	10.27								10.27
Electrical Eng Tech	427.36								427.36
Engineering Technology Conference	3,710.59								3,710.59
Give Grant- Vocational Ed		45,075.29				45,075.29			0.00
Gm Dealer Training	7,101.46								7,101.46
Graphic Arts	339.80								339.80
It Pathways Collabor Leap Grant	101,504.61								101,504.61
Jackson Foundation	15,082.96								15,082.96
Mechatronic Grant Wftc	7,782.40								7,782.40
Mnps Gear Up Partnership Grant		420.06				420.06			0.00
Ncat Developmental Math	1,025.95								1,025.95
Nissan	1,927.32								1,927.32
Nscc General Foundation	293.91					142.10			151.81
Perkins Iv 19-20		32,028.00						32,028.00	0.00
Square D Foundation	2,000.00								2,000.00
Tbr Advising Academy Grant	243.23					(400.07)			643.30
Tbr Course Revitalization Grant	1,935.42	40,950.00				40,950.00			1,935.42
Tetrahedra	35.87								35.87
Tlsamp Phase Iii Tsu Nsf		16,990.03				16,990.03			0.00
Tn Promise		26,142.05				26,142.05			0.00
Walmart Brighter Futures Grant	3,820.36	11,320.00				12,252.22			2,888.14
Waverly/Oxychem Foundation Equip	250.95								250.95
<b>Total Instruction</b>	<b>\$147,567.46</b>	<b>\$293,666.86</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$265,302.99</b>	<b>\$0.00</b>	<b>\$32,028.00</b>	<b>\$143,903.33</b>
<b>Public Service</b>									
Department Of Education Cwsp		10,088.10				10,088.10			0.00
Resources Conservation	7,096.31								7,096.31
<b>Total Public Service</b>	<b>\$7,096.31</b>	<b>\$10,088.10</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,088.10</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,096.31</b>
<b>Academic Support</b>									
Cares Unemployment Rebate						727.92			(727.92)
Department Of Education Cwsp		23,834.00				22,957.00			877.00
Tbr Safety And Security Grant		60,540.70						60,540.70	0.00
<b>Total Academic Support</b>	<b>\$0.00</b>	<b>\$84,374.70</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$23,684.92</b>	<b>\$0.00</b>	<b>\$60,540.70</b>	<b>\$149.08</b>
<b>Student Services</b>									
Career Employ Ctr - Special Events	4,416.35			3,500.00		507.78			7,408.57
Cares Unemployment Rebate						4,036.08			(4,036.08)
Department Of Education Cwsp		11,427.00				11,427.00			0.00
Department Of Education Fa Adm	144,238.69	17,535.00				19,641.57			142,132.12

**Nashville State Community College**  
**Schedule of Changes in Fund Balances - Restricted Current Funds**  
For the year ended June 30, 2020  
Unaudited

Schedule 4

	BALANCE 7/1/2019	ADDITIONS			DEDUCTIONS				BALANCE 6/30/2020
		GIFTS, GRANTS, & APPROPRIATIONS	ENDOWMENT INCOME	OTHER	INDIRECT COST RECOVERIES	EXPENDITURES	REFUNDS TO GRANTORS	OTHER	
<b>Student Services</b>									
Nashville Grad Restricted		105,679.25				112,775.37			(7,096.12)
Tbr Advising Academy Grant	243.23	68,811.48				68,400.07			654.64
Tbr Exposure Sers Grant		8,530.71				8,530.71			0.00
Tbr Institute Sers Grant		18,941.56				18,941.56			0.00
Tbr Sers Academic Jumpstart Grant		11,498.61				11,498.61			0.00
Tbr Southern Word Sers Grant	(9,288.41)	11,666.67				2,378.25			0.01
Tbr Technology Sers Grant		11,854.73				11,854.73			0.00
Vet Military Pathways Thec Fy 19-20	43,741.09					27,166.27			16,574.82
Veterans Reconnect Thec Fy 19-20	42,391.94					35,531.22			6,860.72
<b>Total Student Services</b>	<b>\$225,742.89</b>	<b>\$265,945.01</b>	<b>\$0.00</b>	<b>\$3,500.00</b>	<b>\$0.00</b>	<b>\$332,689.22</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$162,498.68</b>
<b>Institutional Support</b>									
Department Of Education Cwsp		18,881.00				18,881.00			0.00
Department Of Va Adm Fee	21,051.20	8,445.00				3,169.24			26,326.96
Diversity Grant	170,032.90	88,173.29				52,265.78			205,940.41
Diversity Scholarship	170,032.90								170,032.90
Nscc General Foundation	293.91								293.91
Sage Institutional Support	196,917.59								196,917.59
Tbr Meeting	1,718.85								1,718.85
<b>Total Institutional Support</b>	<b>\$560,047.35</b>	<b>\$115,499.29</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$74,316.02</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$601,230.62</b>
<b>Operations &amp; Maintenance</b>									
Cares Unemployment Rebate						1,826.64			(1,826.64)
<b>Total Operations &amp; Maintenance</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,826.64</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$1,826.64)</b>
<b>Scholarships and Fellowships</b>									
Cooke County Educational Foundatio		500.00				500.00			0.00
100 Black Men Middle Tn		1,500.00				1,125.00	375.00		0.00
21st Century Scholarship	(1,492.23)	6,138.89				6,138.89			(1,492.23)
Academy At Old Cockrill		1,000.00				1,000.00			0.00
Act Scholarship	487.58								487.58
Aer Scholarship	150.00	10,200.00				10,200.00			150.00
Alpha Phi Alpha Fraternity		1,000.00				1,000.00			0.00
Ame Church Scholarship	1,015.00								1,015.00
American Red Cross	500.00	1,000.00				500.00			1,000.00
Bellev ue Church Of Christ		1,000.00				1,000.00			0.00
Belmont University		1,875.00				1,875.00			0.00
Bennie R Jones Scholarship	1,948.94		74.48						2,023.42
Blakemore United Methodist Church		600.00				600.00			0.00
Boiling Spring Baptist Church	500.00								500.00
Bowman Chapel Yds Sch		500.00				500.00			0.00
Brenda Jerles Scholarship		800.00				750.00			50.00
Cares Act Student		2,074,800.87				2,074,800.87			0.00
Centerville Church Of Christ						750.00			(750.00)
Cheatham Co Jumpstart Sch	117.00	300.00				150.00	150.00		117.00

**Nashville State Community College**  
**Schedule of Changes in Fund Balances - Restricted Current Funds**  
For the year ended June 30, 2020  
Unaudited

Schedule 4

	BALANCE 7/1/2019	ADDITIONS			DEDUCTIONS				BALANCE 6/30/2020
		GIFTS, GRANTS, & APPROPRIATIONS	ENDOWMENT INCOME	OTHER	INDIRECT COST RECOVERIES	EXPENDITURES	REFUNDS TO GRANTORS	OTHER	
<b>Scholarships and Fellowships</b>									
Chickasaw Nation		1,050.00				1,050.00			0.00
Christy Dedman Mem Sch	2,000.00					1,000.00			1,000.00
Citizen Potawatomie Nation	(750.00)								(750.00)
Clarksville Area Ministerial	375.00								375.00
Conexion Americas	1,125.00	2,675.00				2,800.00	1,000.00		0.00
Corinthian Lodge Scholastic		750.00							750.00
Cornerstone Financial Credit Union		1,000.00				1,000.00			0.00
Cowlitz Indian Tribe		719.50				719.50			0.00
Cumberland Co Usbc	500.00					500.00			0.00
Department Of Education Pell		13,340,865.03				13,082,802.60	258,062.43		0.00
Department Of Education Seog		278,802.33			13,626.00	258,873.33			6,303.00
Dickson Civitan Scholarship		3,000.00				3,000.00			0.00
Dickson Co Retired Teachers Assoc		1,000.00				1,000.00			0.00
Dickson Co Scottish Rite Club						250.00			(250.00)
Dickson County High School	920.00								920.00
Dickson Cty Women'S Club		500.00				500.00			0.00
Diversity Grant	170,032.90								170,032.90
Diversity Scholarship	170,032.90								170,032.90
Dixie Softball Scholarship	750.00						750.00		0.00
Dream Chasers		322.00					322.00		0.00
Dynametal Technologies		375.00				375.00			0.00
East High Alumni Sch		1,250.00				1,250.00			0.00
Enbright Credit Union		200.00				200.00			0.00
Fairfield Glade United Meth Church	500.00					500.00			0.00
Fellowship Sunday School Class		500.00				500.00			0.00
First Baptist Church Old Hickory		594.00				594.00			0.00
First United Methodist Church		250.00				250.00			0.00
Follett Dcm		6,858.00							6,858.00
Foundation Cathy O'Bryant		1,000.00				1,000.00			0.00
Foundation Culinary Arts		5,000.00				5,000.00			0.00
Foundation Issa Scholarship		3,000.00				3,000.00			0.00
Foundation Mayfield		5,200.00				5,200.00			0.00
Fourteenth Ave Baptist Church		1,500.00				1,500.00			0.00
Freed Hardeman University	1,365.50	31,369.50				36,008.00	877.00		(4,150.00)
Freedom Alliance Scholarship		6,885.00							6,885.00
Ft Campbell Spouse'S Club		1,400.00				1,400.00			0.00
Gary Russell 3 Memorial Scholarship		1,000.00				1,000.00			0.00
George Snow Scholarship	(1,030.00)								(1,030.00)
Georgia Albright Mak	1,105.52								1,105.52
Gh Weems Educational Fund		600.00				600.00			0.00
Glencloft High School Alumni		500.00				500.00			0.00
Goodlark Educational Foundation		500.00				500.00			0.00
Greater Faith Fellowship		250.00				250.00			0.00
Hba Of Upper Cumberland	219.00								219.00
Hillwood High School		250.00				250.00			0.00
Hohenwald-Linden #496 Oes		500.00							500.00
Hooper Scholarship	1,254.00	8,260.00				7,960.00	400.00		1,154.00



**Nashville State Community College**  
**Schedule of Changes in Fund Balances - Restricted Current Funds**  
For the year ended June 30, 2020  
Unaudited

Schedule 4

	ADDITIONS				DEDUCTIONS				BALANCE 6/30/2020
	BALANCE 7/1/2019	GIFTS, GRANTS, & APPROPRIATIONS	ENDOWMENT INCOME	OTHER	INDIRECT COST RECOVERIES	EXPENDITURES	REFUNDS TO GRANTORS	OTHER	
Scholarships and Fellowships									
Scholarship America		9,000.00				9,000.00			0.00
Scott Gordon Memorial Scholarship		1,200.00				1,200.00			0.00
Second Missionary Baptist Church	500.00								500.00
Shelter Insurance		2,000.00				2,000.00			0.00
Shipp's Bend Umc		1,050.00				1,050.00			0.00
Smart Scholarship		165.00				165.00			0.00
Sonic Sch		1,000.00				1,000.00			0.00
St. Thomas Health Services		31,749.00				24,549.00	7,200.00		0.00
Tarshish Grand Chapter Book	374.25								374.25
Tels Combined Fund	(28,356.00)	2,232,207.00				2,192,157.00	1,625.00		10,069.00
Tels Dual Enrollment Fall	7,442.06	862,920.00				830,119.50	32,451.50		7,791.06
Tels Helping Heroes Grt Lottery	2,000.00	21,500.00				19,500.00	500.00		3,500.00
Tenn Baptist Mission Board		800.00				800.00			0.00
Tennessee Student Assistance Corp	(8,825.00)	1,650,998.00				1,627,464.00	20,121.00		(5,412.00)
Tennessee Assoc Of Housing	750.00						750.00		0.00
Tennessee School Nutrition Assoc		1,000.00				1,000.00			0.00
Tennsco Corp.		1,000.00				1,000.00			0.00
The Actors' Fund		1,700.00				1,700.00			0.00
The Community Foundation	2,000.00	12,868.00				8,911.00	3,957.00		2,000.00
Tn Foster Child		15,154.00				14,570.00	35.00		549.00
Tn Order Of The Eastern Star		500.00				500.00			0.00
Tn Promise Scholarship	23,223.75	1,414,786.69				1,421,165.50	5,418.00		11,426.94
Tn Reconnect	495,210.75	3,319,590.29				3,480,288.54	7,498.00		327,014.50
Tn School Food Service Assoc		1,000.00				1,000.00			0.00
Tnstars		1,148.04				1,148.04			0.00
Tom James Company		1,000.00				1,000.00			0.00
Tulsa Community Foundation		2,840.53					1,590.53		1,250.00
Union University		1,000.00				1,000.00			0.00
Upper Cumberland Educational Found	200.00								200.00
Va Tn Valley Healthcare		5,968.45				7,440.00			(1,471.55)
Vanleer Auxiliary		1,000.00				1,000.00			0.00
Vsac Scholarship		6,000.00				6,000.00			0.00
Walden Security		750.00				750.00			0.00
Wells Fargo		1,000.00				1,000.00			0.00
West Creek High School		125.00				125.00			0.00
Wilson One		500.00				500.00			0.00
Total Scholarships and Fellowships	\$895,651.25	\$25,554,535.57	\$74.48	\$0.00	\$13,626.00	\$25,319,240.22	\$343,332.46	\$0.00	\$774,062.62
Cares Unemployment Rebate		9,580.52							9,580.52
Total	\$0.00	\$9,580.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,580.52
Total Restricted Funds	\$1,836,105.26	\$26,333,690.05	\$74.48	\$3,500.00	\$13,626.00	\$26,027,148.11	\$343,332.46	\$92,568.70	\$1,696,694.52

NASHVILLE STATE COMMUNITY COLLEGE  
SCHEDULE FOR CHANGES IN FUND BALANCE - ENDOWMENT FUNDS  
For the Year Ended June 30, 2020  
Unaudited

	Principal 7/1/19	ADDITIONS			Deductions	Balance 6/30/20	FUND ASSETS	
		Gifts & Grants	Income Added to Principal	Other			Interest Receivable	Principal
INSTITUTIONAL ENDOWMENT FUNDS	\$ 4,739.67	\$ -	\$ -	\$ -	\$ -	\$ 4,739.67	\$ -	\$ 4,739.67



**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF CHANGES IN FUND BALANCE**  
**UNEXPENDED PLANT FUNDS**  
**For the Year Ended June 30, 2020**  
**Unaudited**

	Total Project Budget	Balance 7/1/2019	ADDITIONS			DEDUCTIONS		Balance 6/30/2020
			Investment Income	Transferred from Current Funds	Other (Footnotes)	Expended for Plant Funds	Other (Footnotes)	
FUNDS FOR UNEXPENDED PLANT FUNDS								
Extraordinary Maintenance		\$ 322,491.95						\$ 322,491.95
Off Campus Development		2,501,690.76					\$ 12,268.49	2,489,422.27
Utilization Migration		8,193.23						8,193.23
Awnings		33,172.54						33,172.54
Campus Security Enhancement		850,502.92				\$ 48,318.70	4,841.83	797,342.39
Kisber Roof Repair		25,000.00						25,000.00
Clarksville Teaching Site		1,263,000.00						1,263,000.00
East Davidson County Campus		598,347.50						598,347.50
Madison Teaching Facility		19,740,994.37	\$ 67,667.05			607,490.41	13,489.64	19,187,681.37
	<u>\$ -</u>	<u>\$ 25,343,393.27</u>	<u>\$ 67,667.05</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 655,809.11</u>	<u>\$ 30,599.96</u>	<u>\$ 24,724,651.25</u>
Projects-in-Progress								
East Davidson Campus Roof Repairs (Project 235)	\$ 750,000.00	\$ 711,448.34					\$ 374,038.84	\$ 337,409.50
Sidewalk and Lighting Improvements (Project 234)	796,747.65	222,497.83				\$ 190,101.43		32,396.40
Access Control and Locking Updates (Project 233)	750,000.00	459,908.21				334,593.11		125,315.10
Interior Lighting Update (Project 236)	750,000.00				\$ 750,000.00	25,976.48		724,023.52
Accessibility (ADA) Adaptations	137,049.37	93,164.42						93,164.42
Total Projects-in-Progress	<u>\$ 3,183,797.02</u>	<u>\$ 1,487,018.80</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750,000.00</u>	<u>\$ 550,671.02</u>	<u>\$ 374,038.84</u>	<u>\$ 1,312,308.94</u>
Capital Projects Administrative Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,953.39</u>	<u>\$ -</u>	<u>\$ 15,953.39</u>	<u>\$ -</u>
Adjustment for Unexpended		\$ (1,487,018.80)			\$ 924,709.86		\$ 750,000.00	\$ (1,312,308.94)
TOTAL FUNDS FOR UNEXPENDED PLANT FUNDS	<u>\$ 3,183,797.02</u>	<u>\$ 25,343,393.27</u>	<u>\$ 67,667.05</u>	<u>\$ -</u>	<u>\$ 1,690,663.25</u>	<u>\$ 1,206,480.13</u>	<u>\$ 1,170,592.19</u>	<u>\$ 24,724,651.25</u>

(1) Other Additions

New Capital Appropriations \$ 750,000.00

Capital Administrative Costs \$ 15,953.39

(2) Other Deductions

Non-Capital Expenses \$ 30,599.96  
Total \$ 30,599.96Expended for Non-Capital (Roof Repairs) \$ 374,038.84  
Total \$ 374,038.84

Capital Administrative Costs \$ 15,953.39

**NASHVILLE STATE COMMUNITY COLLEGE  
SCHEDULE OF CHANGES IN FUND BALANCE  
FUNDS FOR RENEWAL AND REPLACEMENT  
For the Year Ended June 30, 2020  
Unaudited**

	Balance 7/1/2019	ADDITIONS			DEDUCTIONS		Balance 6/30/2020
		Investment Income	Transferred from Current Funds	Other (Footnotes)	Expended for Plant Funds	Other (Footnotes)	
FUNDS FOR RENEWAL AND REPLACEMENT							
Automobiles	\$ 43,948.62			\$ 5,800.00		\$ 3,670.78	\$ 46,077.84
Bookstore	301,574.81		\$ 17,200.00				318,774.81
Computer Equipment - Industry	32,827.90						32,827.90
Computer Equipment (Non Academic)	996,152.85			85,000.00	\$ 28,067.50	407,805.33	645,280.02
Inst. Equipment	3,213,181.64						3,213,181.64
Institutional Computing (Academic)	1,145,315.89			100,000.00		599,734.42	645,581.47
Main Campus Renewal & Replacement	15,489,858.24				138,532.85	298,804.61	15,052,520.78
Security Camera Upgrades	1,340,000.00						1,340,000.00
Software Replacement & Related Expenses	1,326,118.66					39,434.27	1,286,684.39
TAF Equipment	547,612.00						547,612.00
Telephone System	751,973.29			26,000.00			777,973.29
<b>TOTAL FUNDS FOR RENEWAL AND REPLACEMENT</b>	<b>\$ 25,188,563.90</b>	<b>\$ -</b>	<b>\$ 17,200.00</b>	<b>\$ 216,800.00</b> (1)	<b>\$ 166,600.35</b>	<b>\$ 1,349,449.41</b> (2)	<b>\$ 23,906,514.14</b>

(1) Other Additions  
Equipment User Charges  
Total

\$ 216,800.00  
\$ 216,800.00

(2) Other Deductions  
Expended for Non-Capital Items  
Total

\$ 1,349,449.41  
\$ 1,349,449.41

**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF CHANGES IN FUND BALANCES**  
**Funds for the Retirement of Indebtedness**  
**For the Year Ended June 30, 2020**

	<u>Balances</u> <u>July 1, 2019</u>	<u>Investment</u> <u>Income</u>	<u>Additions</u>		<u>Deductions</u>				<u>Balances</u> <u>June 30, 2020</u>
			<u>Mandatory</u> <u>Transfers</u> <u>(Footnote)</u>	<u>Other</u> <u>Additions</u> <u>(Footnote)</u>	<u>Retirement</u> <u>of bonds</u>	<u>Interest</u>	<u>Trustee</u> <u>Service</u> <u>Charges</u>	<u>Other</u> <u>(Footnote)</u>	
Bond Authority Projects									
Energy Savings Performance 2014B	\$ 154,058.37		\$ 68,700.00		\$ 60,298.81	\$ 3,718.14		\$ 3,807.70 (1)	\$ 154,933.72
Total Funds for the Retirement of Indebtedness	<u>\$ 154,058.37</u>	<u>\$ -</u>	<u>\$ 68,700.00</u>	<u>\$ -</u>	<u>\$ 60,298.81</u>	<u>\$ 3,718.14</u>	<u>\$ -</u>	<u>\$ 3,807.70</u>	<u>\$ 154,933.72</u>

(1) amortization costs

**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF CHANGES IN INVESTMENT IN PLANT**  
**For the Year Ended June 30, 2020**  
**Unaudited**

	<b>Book Value 7/1/2019</b>	<b>Current Funds</b>	<b>ADDITIONS Unexpended Funds</b>	<b>Other (Footnotes)</b>	<b>DEDUCTIONS Other (Footnotes)</b>	<b>Book Value 6/30/2020</b>
<b>LAND</b>						
NSCC (Main Campus)	\$ 402,740.00					\$ 402,740.00
Antioch Site	2,651,947.00					2,651,947.00
Clarksville Site	1,714,300.00					1,714,300.00
East Davidson County Campus	1,033,750.28					1,033,750.28
Madison Campus	5,344,700.00					5,344,700.00
<b>TOTAL LAND</b>	<b>\$ 11,147,437.28</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,147,437.28</b>
<b>BUILDINGS</b>						
Administration/Classroom Bldg (Weld & A)	\$ 8,385,684.28					\$ 8,385,684.28
A-Building Renovation (Science Labs)	2,570,596.00					2,570,596.00
D & E (Maint) Building	3,196,246.45					3,196,246.45
Clement Classroom Building	6,239,676.90					6,239,676.90
Library (K) Building	8,139,288.34					8,139,288.34
Academic/Student Services Building	9,385,366.38					9,385,366.38
Clarksville Modular	537,851.78					537,851.78
Clarksville Building	4,397,235.14					4,397,235.14
Antioch Teaching Site (Southeast Campus)	14,949,490.98					14,949,490.98
New Acad & Support Building (H)	22,107,727.23					22,107,727.23
East Davidson Campus Building	4,744,054.19					4,744,054.19
Madison Campus Building	165,300.00					165,300.00
<b>TOTAL BUILDINGS</b>	<b>\$ 84,818,517.67</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ - (1)</b>	<b>\$ -</b>	<b>\$ 84,818,517.67</b>
<b>IMPROVEMENTS OTHER THAN BUILDINGS</b>	<b>\$ 7,709,120.46</b>	<b>\$ -</b>	<b>\$ 190,101.43</b>	<b>\$ 574,249.82 (1)</b>	<b>\$ 71,404.36 (2)</b>	<b>\$ 8,402,067.35</b>
<b>EQUIPMENT</b>						
Education and General	\$ 5,637,996.62	\$ -	\$ -	\$ 198,628.35	\$ 262,519.22	\$ 5,574,105.75
<b>TOTAL EQUIPMENT</b>	<b>\$ 5,637,996.62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,628.35 (1)</b>	<b>\$ 262,519.22 (2)</b>	<b>\$ 5,574,105.75</b>
<b>LIBRARY HOLDINGS</b>	<b>\$ 486,142.60</b>	<b>\$ 37,205.68</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,733.98 (2)</b>	<b>\$ 499,614.30</b>
<b>SOFTWARE</b>	<b>\$ 616,682.59</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 616,682.59</b>
<b>PROJECTS-IN-PROGRESS</b>						
Madison	\$ 1,741,675.58		\$ 607,490.41			\$ 2,349,165.99
SideWalk Lighting and Improvements	574,249.82				\$ 574,249.82	-
Access Control and Lighting	290,091.79		382,911.81	\$ 60,540.70		733,544.30
Interior Lighting Update	-		25,976.48			25,976.48
<b>TOTAL PROJECTS-IN-PROGRESS</b>	<b>\$ 2,606,017.19</b>	<b>\$ -</b>	<b>\$ 1,016,378.70</b>	<b>\$ 60,540.70</b>	<b>\$ 574,249.82 (2)</b>	<b>\$ 3,108,686.77</b>
<b>TOTAL INVESTMENT IN PLANT</b>	<b>\$ 113,021,914.41</b>	<b>\$ 37,205.68</b>	<b>\$ 1,206,480.13</b>	<b>\$ 833,418.87 (1)</b>	<b>\$ 931,907.38 (2)</b>	<b>\$ 114,167,111.71</b>
<b>(1) Other Additions</b>						
Transfer from Projects-in-Progress	\$ 574,249.82					
Additions from Renewals & Replacements	166,600.35					
Additions from Perkins Grant	32,028.00					
Additions from TBR Safety Security Grant	60,540.70					
<b>Total Other Additions</b>	<b>\$ 833,418.87</b>					
<b>(2) Other Deductions</b>						
Equipment Deletions						\$ 262,519.22
Improvement Deletions						71,404.36
Library Deletions						23,733.98
Transfer to Buildings & Other Improvements						574,249.82
<b>Total Other Deductions</b>						<b>\$ 931,907.38</b>

**NASHVILLE STATE COMMUNITY COLLEGE**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BOOKSTORE CONTRACT**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**Unaudited**

REVENUES		
Other Revenue/Commissions	<u>\$ 335,745.42</u>	
TOTAL REVENUES		\$ 335,745.42
EXPENDITURES AND TRANSFERS		
Expenditures	\$ 4,216.47	
Nonmandatory Transfers	<u>17,200.00</u>	
TOTAL EXPENDITURES AND TRANSFERS		\$ 21,416.47
EXCESS REVENUES OVER EXPENDITURES		<u><u>\$ 314,328.95</u></u>

NASHVILLE STATE COMMUNITY COLLEGE  
SCHEDULE OF INVESTMENTS BY FUND GROUPS  
FOR THE YEAR ENDED JUNE 30, 2020  
Unaudited

		OWNERSHIP BY FUND						
	Value	Current Unrestricted	Current Restricted	Auxiliary Enterprises	Endowment	Unexpended Plant	Renewal & Replacement	Agency
INVESTMENTS								
Local Government Investment Pool	\$ 77,288,194.32	\$ 73,349,997.54	\$ 1.48		\$ 4,739.67	\$ 3,933,455.63		
Foundation-LGIP	107,536.10							\$ 107,536.10
Foundation- Mutual Equity Funds	298,660.60							298,660.60
Foundation- Fixed Income	185,959.76							185,959.76
Foundation- Alternative Investment	143,048.04							143,048.04
Foundation-Mutual Bond Other Mark	107,943.73							107,943.73
TOTAL INVESTMENTS	<u>\$ 78,131,342.55</u>	<u>\$ 73,349,997.54</u>	<u>\$ 1.48</u>	<u>\$ -</u>	<u>\$ 4,739.67</u>	<u>\$ 3,933,455.63</u>	<u>\$ -</u>	<u>\$ 843,148.23</u>

**Nashville State Community College**  
**Schedule of Expenditures By Object**  
For the Year Ended June 30, 2020  
Unaudited

Appendix III

	<b>E&amp;G UNRESTRICTED</b>	<b>AUXILIARIES UNRESTRICTED</b>	<b>RESTRICTED</b>	<b>TOTAL</b>	<b>PRIOR YEAR TOTAL</b>
<b>Personal Services</b>					
Administrative Salaries	2,632,380.91		8,878.00	2,641,258.91	2,420,028.08
Clerical And Support Salaries	5,840,772.45		92,018.44	5,932,790.89	6,225,976.11
Faculty And Academic Salaries	12,158,326.07		61,406.31	12,219,732.38	11,519,921.18
Professional Support Salaries	3,895,503.55		168,233.36	4,063,736.91	3,289,043.73
Student Salaries And Wages	24,873.48		77,419.30	102,292.78	70,463.72
<b>Total Personal Services</b>	<b>\$24,551,856.46</b>	<b>\$0.00</b>	<b>\$407,955.41</b>	<b>\$24,959,811.87</b>	<b>\$23,525,432.82</b>
<b>Employee Benefits</b>					
Compensated Absences	238,176.84		8,837.21	247,014.05	(20,529.82)
Employee Scholarships	90,388.55			90,388.55	121,217.06
Fica	1,809,111.23		23,578.30	1,832,689.53	1,725,734.72
Group Insurance	3,393,785.86		26,078.24	3,419,864.10	4,055,423.40
Other Employee Benefits	346,872.01		2,378.97	349,250.98	324,228.98
Retirement	3,449,784.59		34,113.06	3,483,897.65	2,382,942.53
Unemployment Compensation	23,579.34		9,580.52	33,159.86	16,684.48
<b>Total Employee Benefits</b>	<b>\$9,351,698.42</b>	<b>\$0.00</b>	<b>\$104,566.30</b>	<b>\$9,456,264.72</b>	<b>\$8,605,701.35</b>
<b>Other Expenditures</b>					
Travel	96,876.03		40,475.43	137,351.46	166,559.35
Allocated Charges	216,800.00			216,800.00	216,800.00
Awards And Indemnities	380.85			380.85	10,697.26
Communications And Shipping Costs	358,203.36			358,203.36	356,960.29
Grants And Subsidies				0.00	360.00
Maint Repairs Services By Others	1,521,354.30			1,521,354.30	1,486,118.42
Motor Vehicle Operation	14,360.74			14,360.74	16,663.99
Other Services And Expenses	334,785.65		17,269.25	352,054.90	992,468.46
Printing Duplic And Film Process	103,842.02		3,589.69	107,431.71	88,754.54
Professional And Admin Services	3,566,148.82		95,890.41	3,662,039.23	2,587,056.62
Rental And Insurance	418,869.99			418,869.99	368,688.29
Supplies	1,235,957.85		41,034.40	1,276,992.25	1,133,709.76
Utilities And Fuel	1,613,318.12	4,216.47		1,617,534.59	1,855,726.89
Equipment			32,028.00	32,028.00	35,115.00
Improvements And Infrastructure			60,540.70	60,540.70	
Library Books And Binding	37,205.68			37,205.68	48,113.65
Scholarships And Fellowships	836,173.11		25,316,367.22	26,152,540.33	24,218,836.67
Grant Related Expense Items			356,958.46	356,958.46	148,155.46
Mandatory Transfers	68,700.00			68,700.00	67,100.00
Nonmandatory Transfers	1,348,660.38	17,200.00		1,365,860.38	4,324,207.98
<b>Total Other Expenditures</b>	<b>\$11,771,636.90</b>	<b>\$21,416.47</b>	<b>\$25,964,153.56</b>	<b>\$37,757,206.93</b>	<b>\$38,122,092.63</b>
<b>Total Expenditures By Object</b>	<b>\$45,675,191.78</b>	<b>\$21,416.47</b>	<b>\$26,476,675.27</b>	<b>\$72,173,283.52</b>	<b>\$70,253,226.80</b>

**NASHVILLE STATE COMMUNITY COLLEGE  
SCHEDULE OF BONDS PAYABLE  
For the Year Ended June 30, 2020**

	<u>Date of Issue</u>	<u>Due Serially to</u>	<u>Balances July 1, 2019</u>	<u>Other</u>	<u>Interest Rate %</u>	<u>Interest Paid Maturing</u>	<u>Amount</u>	<u>Bonds and Notes Retired</u>	<u>Other*</u>	<u>Balances June 30, 2020</u>
Bonds										
Tennessee State School Bond Authority										
Energy Project 2014B	August 2014	November 2022	\$ 190,715.96		5%	Nov - May		\$ 60,298.81		\$ 130,417.15
Total Tennessee State School Bond Authority			<u>\$ 190,715.96</u>	<u>\$ -</u>			<u>\$ -</u>	<u>\$ 60,298.81</u>	<u>\$ -</u>	<u>\$ 130,417.15</u>
Unamortized Bond Premium	August 2014	November 2022	\$ 20,697.96						\$ 6,899.32 (1)	\$ 13,798.64
Total Bonds Payable			<u>\$ 211,413.92</u>	<u>\$ -</u>			<u>\$ -</u>	<u>\$ 60,298.81</u>	<u>\$ 6,899.32</u>	<u>\$ 144,215.79</u>

(1) Amortization of Bond Premium