2007 Annual Financial Report

Utah Valley State College

A Component Unit of the State of Utah

Utah Valley
State College

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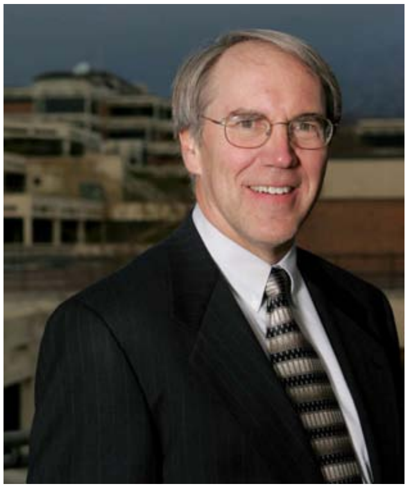
Utah Valley State College

President's Message



I continue to be impressed with the dedication and skill level of our employees, who manage institutional resources appropriately and professionally. Because of their diligence UVSC continues to be a fiscally stable institution.

Significant highlights for this past year worth noting in this report are: 1) the state legislature's passing of SB 70 changing the name of Utah Valley State College to Utah Valley University (effective 2008) which includes an appropriation of $8 million in ongoing funding, 2) the establishment of the Center for Engaged Learning with $400,000 in grant monies, 3) the commitment of $20 million from the Woodbury family to name the school of business and serve as seed money for new initiatives including the building of new programs, 4) the donation of $1 million by the Clyde Companies with accompanying $1 million match by Ira Fulton to name the construction management program and help fund a new four-year construction management degree, and 5) the $3.4 million gift to build a children's theater and provide funding support for other theater related initiatives on campus.

The future of the soon-to-be Utah Valley University (UVU) is bright. UVU is making a positive difference in the lives of those it serves. It is an exciting time to be here. Thank you for your support.

Sincerely,

William A. Sederburg

Auston G. Johnson, CPA
UTAH STATE AUDITOR

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INDEPENDENT STATE AUDITOR'S REPORT

To the Board of Trustees, Audit Committee,
and
William A. Sederburg, President
Utah Valley State College

We have audited the accompanying financial statements of Utah Valley State College (the College), and, based on the report of other auditors, its discretely presented component unit foundation, which collectively comprise the College's basic financial statements, as of and for the year ended June 30, 2007, as listed in the Table of Contents. The College is a component unit of the State of Utah. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit foundation. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit foundation, is based on the report of the other auditors. The prior year summarized comparative information has been derived from the College's 2006 financial statements and, in our report dated September 22, 2006, we expressed an unqualified opinion on the basic financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the

College and of its discretely presented component unit foundation as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2007 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis on pages 5 through 13 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Auston G. Johnson, CPA
Utah State Auditor
November 9, 2007

Management’s Discussion and Analysis

Introduction

The following discussion and analysis provides an overview of the financial position and results of activities of Utah Valley State College (the College) for the year ended June 30, 2007, with comparative information for the year ended June 30, 2006. This discussion is prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow these sections.

The Utah Valley State College Foundation (the Foundation) is a separate but affiliated non-profit corporation. The accounts of the Foundation are audited separately and reported in the Component Unit column of the financial statements. The audited financial statements for the Foundation are available through the College's Institutional Advancement Office.

Overview of the Financial Statements and Financial Analysis

The financial statements are prepared in accordance with Governmental Accounting Standards Board principles. Three financial statements are presented: the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Net Assets; and, the Statement of Cash Flows.

Statement of Net Assets

The Statement of Net Assets presents the assets, liabilities, and net assets of the College as of the end of the fiscal year. The Statement of Net Assets is a point-in-time financial statement. The purpose of the Statement of Net Assets is to present to the readers of the financial statements a fiscal snapshot of the College. The Statement of Net Assets presents end-of-year data concerning Assets (current and noncurrent), Liabilities (current and noncurrent), and Net Assets (Assets minus Liabilities or Equity). The difference between current and noncurrent assets is discussed in the footnotes to the financial statements.

From the data presented, readers of the Statement of Net Assets are able to determine the assets available for continued operations of the institution. A determination can also be made as to the debts owed to vendors, investors, and lending institutions. Finally, the Statement of Net Assets provides a picture of the net assets and their availability for expenditure by the College.

Net assets are divided into three major categories: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The first category, invested in capital assets, net of related debt, provides the institution's equity in property, plant, and equipment owned by the institution. The second net asset category is restricted net assets, which is divided into two subcategories, nonexpendable and expendable. The corpus of nonexpendable restricted net assets is only available for investment purposes. Expendable restricted net assets are 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 assets. The final category is unrestricted net assets. Unrestricted net assets are available for expenditure for any lawful purpose of the institution.

Statement of Net Assets, Condensed

	2007	**2006**	**Change**	**% Change**
ASSETS				
Current assets	$ 54,723,828	$ 42,531,147	$ 12,192,681	28.7%
Noncurrent Notes receivable, net	1,848,491	1,611,066	237,425	14.7%
Capital Assets, net	155,190,761	152,695,865	2,494,896	1.6%
Other Noncurrent Assets	-	66,011	(66,011)	(100.0%)
Total Assets	**211,763,080**	**196,904,089**	**14,858,991**	**7.5%**
LIABILITIES				
Current Liabilities	12,727,315	9,900,282	2,827,033	28.6%
Noncurrent Liabilities	27,006,820	28,588,274	(1,581,454)	(5.5%)
Total Liabilities	**39,734,135**	**38,488,556**	**1,245,579**	**3.2%**
NET ASSETS				
Invested in capital assets, net of debt	128,596,524	124,597,282	3,999,242	3.2%
Restricted Expendable	11,646,549	9,089,881	2,556,668	28.1%
Unrestricted	31,785,872	24,728,370	7,057,502	28.5%
Total Net Assets	**$ 172,028,945**	**$ 158,415,533**	**$ 13,613,412**	**8.6%**

The increase in current assets held by the college is mainly due to an increase in cash in the amount of approximately $13.8 million and a decrease of nearly $1.3 million in accounts receivable. The overall increase is due to an increase in tuition and fee, federal grant, appropriation, gift, and interest revenues in excess of a smaller increase in expenditures mainly related to salaries and auxiliary expenses. Noncurrent notes receivable increased as the amount of student Perkins Loans for the year increased. Other noncurrent assets decreased due to the expenditure of cash being held on deposit for the College by the State Division of Facilities and Construction Management who is overseeing the Energy Savings Plan project.

The College had various capital asset additions during fiscal year 2007. The net change in land, land improvements, and infrastructure accounted for a significant portion of the net increase in capital assets.

Current liabilities increased this fiscal year due mainly to an increase in accounts payable at year end and due to the accrual of a claims payable liability associated with the Colleges self insurance medical and dental plan. This is the first year of the self insurance plan in which a year end accrual was recorded for future expected claims of $1,488,967.

The decrease in noncurrent liabilities was related to payments made towards the bonds, leases, and notes owed by the College. No new bonds were issued during the year. A new note was signed between the Foundation and the College towards the purchase of land at the Heber Campus.

The facilities and grounds of the College are well maintained, employee moral is good and the positive financial numbers are all indicators of the overall general health of the College.

Statement of Revenues, Expenses, and Changes in Net Assets

Changes in total net assets as presented on the Statement of Net Assets are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Assets. The purpose of the statement is to present the operating and nonoperating revenues received by the institution, the operating and nonoperating expenses paid by the institution, and any other revenues, expenses, gains, or losses received or spent by the institution.

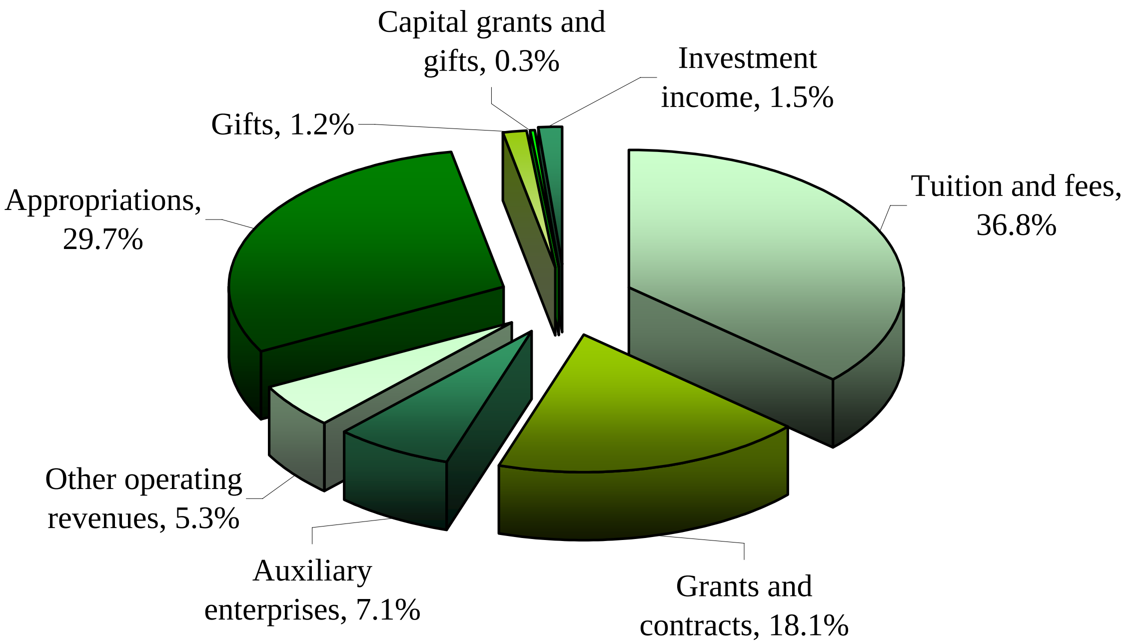
Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the institution. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for operating revenues and to carry out the mission of the institution. Nonoperating revenues are revenues received for which goods and services are not provided. For example, state appropriations are nonoperating because they are provided by the Legislature to the institution without the Legislature directly receiving commensurate goods or services for those revenues.

Statement of Revenues, Expenses, and Changes in Net Assets, Condensed

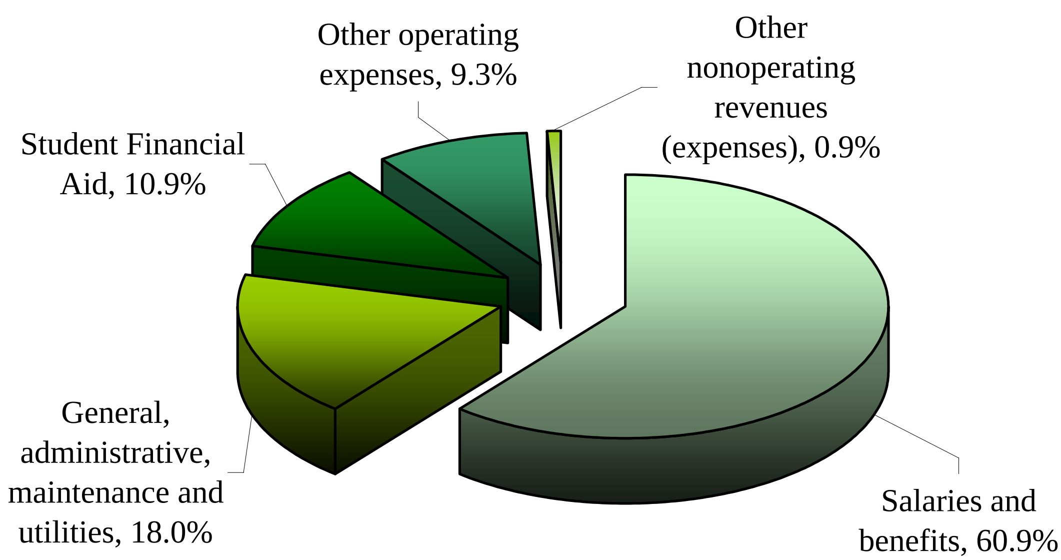
	2007	2006	Change	% Change
REVENUES				
Operating revenues				
Student tuition and fees	$ 66,916,517	$ 59,893,129	$ 7,023,388	11.7%
Grants and contracts	32,997,221	32,111,029	886,192	2.8%
Auxiliary enterprises	12,847,805	12,049,398	798,407	6.6%
Other	9,726,214	9,526,448	199,766	2.1%
Total operating revenues	**122,487,757**	**113,580,004**	**8,907,753**	**7.8%**
EXPENSES				
Operating expenses				
Salaries and benefits	102,617,671	98,884,516	3,733,155	3.8%
Student financial aid	18,387,200	17,994,924	392,276	2.2%
General and administrative, maintenance and utilities	30,337,633	31,576,016	(1,238,383)	(3.9%)
Auxiliary enterprises	8,988,557	7,999,185	989,372	12.4%
Other	6,778,235	6,575,546	202,689	3.1%
Total operating expenses	167,109,296	163,030,187	4,079,109	2.5%
Operating loss	**(44,621,539)**	**(49,450,183)**	**4,828,644**	**9.8%**
NONOPERATING REVENEUES (EXPENSES)				
State appropriations	50,590,656	49,201,546	1,389,110	2.8%
Gifts	2,275,526	1,551,476	724,050	46.7%
Investment income	2,667,442	1,862,063	805,379	43.3%
Other nonoperating revenues (expenses)	(1,525,790)	(1,497,411)	(28,379)	(1.9%)
Net nonoperating revenues	54,007,834	51,117,674	2,890,160	5.7%
Income before other revenues	**9,386,295**	**1,667,491**	**7,718,804**	**462.9%**
Capital appropriations	3,620,752	2,744,915	875,837	31.9%
Capital grants and gifts	606,365	521,970	84,395	16.2%
Other revenues	4,227,117	3,266,885	960,232	29.4%
Increase in net assets	**13,613,412**	**4,934,376**	**8,679,036**	**175.9%**
Net assets – beginning	158,415,533	153,481,157	4,934,376	3.2%
Net assets - ending	$ 172,028,945	$ 158,415,533	$ 13,613,412	8.6%

The following graphs illustrate operating and nonoperating revenues and expenses as a percent of the total for the year ended June 30, 2007.

Operating and nonoperating revenues



Operating and nonoperating expenses



The Statement of Revenues, Expenses, and Changes in Net Assets reflects a positive year. Operating revenues increased approximately $8.9 million. Tuition and fees accounted for a significant portion of that increase with a $7.0 million increase over the prior reporting period due mainly to an increase in tuition rates of approximately 9.5% from the 2006 to the 2007 school year. Also attributing to the increase was an overall increase in student enrollment for the applicable semesters of 2%.

Grants and contracts increased by $886 thousand due to an increase in federal grants received of $1.1 million and a decrease in state grants of $250 thousand. Grant revenues vary from year to year as financial aid revenues increase or decrease with student enrollment and as new grants are received and others mature. Auxiliary enterprise revenue increased by $798 thousand or 6.6% as food sales, textbook sales and computer sales all saw increases for the year. Other operating revenues increased by $200 thousand as distance education and study abroad revenue increased.

Operating expenses increased by approximately $4 million. The majority of the increase was due to increases in salary and benefit expenses. Salaries increased by $3.7 million or 5.2% attributable to cost of living increases and new faculty and staff positions added during the year. The net increase in benefits was only $17 thousand. An increase occurred in benefits due to the increase in salaries and an increase in the number of covered employees of over $1.7 million but an offsetting decrease in benefit costs occurred during the Colleges first year under a self-funded medical and dental insurance plan.

Student financial aid increased 2.2% due to the increase in students and an increase in awards. General and administrative, maintenance and utilities expenses saw an overall decrease of $1.2 million. Accounting for that change were decreases in computer and software purchases, decreases in maintenance costs, decreases in utility costs, and a decrease in interest expense.

Auxiliary enterprise expenses increased $989 thousand or 12.4%. As noted above auxiliary sales increased by 6.6% accounting for a portion of the change as purchases increased and an increase in costs for new text books, computers, software, and food accounted for the remainder of the change. Other operating expenses increased by $203 thousand as depreciation increased for the year.

Nonoperating revenues and (expenses) saw an increase in revenues of $2.9 million or 5.7%. State appropriations increased by 1.3 million with increased funding from the State Legislature, gifts increased by $724 thousand, and investment income increased by $805 thousand as the interest rate increased and the amount of money held increased.

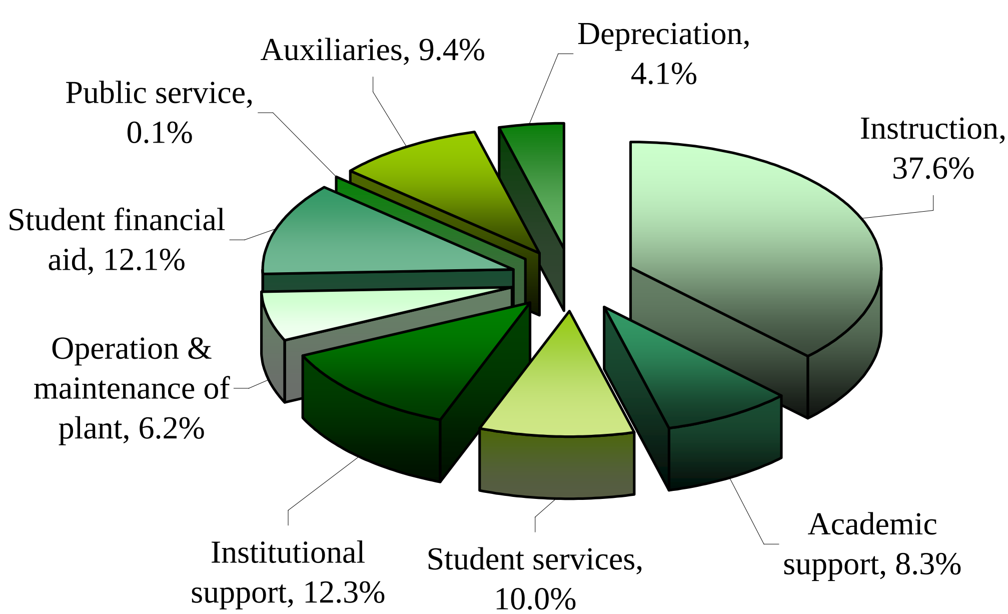
Other revenues and expenses increased in total by $960 thousand as capital appropriations increased by $876 thousand in relation to funding received for a number of projects, the largest of which were the remodeling of the science building and expansion of parking lot V. Capital grants and gifts increased by $84 thousand.

The following is a summary of the College's expenses by programmatic (functional) classification for the years ended June 30, 2007, and 2006:

	2007	2006	Change	% Change
Operating Expenses				
Instruction	$ 62,777,190	$ 59,353,942	$ 3,423,248	5.8%
Academic support	13,791,437	13,644,319	147,118	1.1%
Student services	16,704,946	14,481,530	2,223,416	15.4%
Institutional support	20,553,483	23,362,115	(2,808,632)	(12.0%)
Operation & maintenance of plant	10,358,280	11,312,214	(953,934)	(8.4%)
Student financial aid	20,180,848	19,576,540	604,308	3.1%
Public service	199,209	118,080	81,129	68.7%
Auxiliaries	15,765,668	14,605,902	1,159,766	7.9%
Depreciation	6,778,235	6,575,546	202,689	3.1%
Total Operating Expenses	**$ 167,109,296**	**$ 163,030,188**	**$ 4,079,108**	**2.5%**

The following graph illustrates functional operating expenses as a percentage of the total for the year ended June 30, 2007.

Functional operating expenses



The $3.4 million increase in instruction related costs are related to an increase of $2.4 million in salaries and benefits due to cost of living increases, new hires, and a $1 million increase in equipment, maintenance, and service costs. Costs associated with student services increased by $2.2 million. $1.2 million of the increase is related to cost of living increases of salaries and its related effect on benefits. The remaining $1 million in change is related to increased general and administrative costs.

Costs related to institutional support saw a decrease of $2.8 million of which $1.7 million of the decease is related to savings experienced during the first year of the self-funded insurance plan. The remaining decrease was related to decreased expenditures for general and administrative costs. Operation and maintenance of plant expenditures associated with maintenance, and general and administrative costs decreased by $1.7 million through utility savings, and lower maintenance and repair costs. There was also an increase of nearly $800 thousand in salary and benefits due mainly to the cost of living increase. Auxiliary costs increased by $1.1 million as cost of goods sold increased.

Statement of Cash Flows

The final statement presented is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the College during the year. The statement is divided into five sections. The first section deals with operating cash flows and shows the net cash used by the operating activities of the institution. The second section reflects cash flows from noncapital financing activities. This section shows the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section deals with the cash used for the acquisition and construction of capital related items. The fourth section details the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section reconciles the net cash used in operating activities to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Assets.

Statement of Cash Flows, Condensed

	2007	**2006**	**Change**	**% Change**
Cash provided (used) by:				
Operating activities	$ (34,064,759)	$ (45,898,632)	$ 11,833,873	25.8%
Noncapital financing activities	53,154,047	50,078,714	3,075,333	6.1%
Capital and related financing activities	(7,916,715)	(6,335,102)	(1,581,613)	(25.0%)
Investing activities	2,668,039	1,862,357	805,682	43.3%
Change in cash	13,840,612	(292,663)	14,133,275	4829.2%
Cash - Beginning of Year	31,659,292	31,951,955	(292,663)	(0.9%)
Cash – End of Year	**$ 45,499,904**	**$ 31,659,292**	**$ 13,840,612**	**(43.7%)**

The College's cash increased due primarily to increases in operating and noncapital financing activities. More specifically those increases in operating activities are accounted for in a $6.8 million increase in cash from tuition and fees, and a $4.9 million increase in cash from grants and contracts. There was also a $2.2 million decrease in cash payments to suppliers and a $2 million increase in payments for employee services and benefits.

The noncapital financing activity increase is related to an increase of $2 million in state appropriations and a $1 million increase in Gifts. The $1.6 million decrease in cash from capital and related financing activities is due to an increase in capital asset expenditures, an increase in principal paid on capital debt and leases, and a decrease in cash from issuance of capital debt. The increase in cash from investing activities is an increase in the amount of interest received during the year related to higher interest rates and the increase in the cash balance.

Outlook

The College's overall financial position is strong and the outlook for the future looks bright. The Utah Legislature unanimously passed SB070, granting UVSC university status, effective July 1, 2008. The bill was signed by Governor Huntsman on March 19, 2007. The move from college to university will further advance the schools' role in the community.

Construction of a new Digital Learning Center began during the year and is scheduled to open July 2008. This $48 million five-story library will provide much needed space for collections, study rooms, seminar rooms, media viewing rooms, a café, and more than 100 public computers. Students and faculty will have increased access to research and resource materials.

The past year was also an unprecedented year for higher education in the State of Utah. During the year the Utah Legislature approved a 12.6% base tax funds increase for the Utah System of Higher Education. UVSC will receive 24.93% of this increase or about $12.7 million.

The economy of the State of Utah continues to look robust with moderate growth expected in the New Year. Support for higher education from the Legislature is expected to continue. The College continues to see increasing enrollment although at a slower pace and expects to see continued growth as the College transitions to a University.

Financial Statements

Utah Valley State College
Statement of Net Assets
As of June 30, 2007

	Primary Institution UVSC 2007	Component Unit UVSC Foundation 2007	Total 2007	Comparative Total 2006
ASSETS				
Current assets				
Cash and cash equivalents (note 2)	$ 45,499,904	$ 960,301	$ 46,460,205	$ 32,598,742
Short term investments (note 2)	1,164,537	-	1,164,537	1,106,474
Accounts receivable, net (note 3)	5,483,644	-	5,483,644	6,749,722
Notes and pledges receivable, net (note 3 and 6)	350,604	765,708	1,116,312	554,093
Prepaid expenses, deferred charges	737,084	4,030	741,114	970,597
Inventories (note 4)	1,488,055	-	1,488,055	1,746,015
Total current assets	54,723,828	1,730,039	56,453,867	43,725,643
Noncurrent assets				
Restricted investments (note 2)	-	16,914,582	16,914,582	15,297,051
Notes and pledges receivable, net (note 3 and 6)	1,848,491	487,776	2,336,267	1,712,381
Other long term assets	-	6,538,726	6,538,726	6,362,776
Non depreciable capital assets (note 8)	12,958,810	3,308,600	16,267,410	15,762,657
Depreciable capital assets, net (note 8)	142,231,951	9,108,358	151,340,309	146,253,641
Total noncurrent assets	157,039,252	36,358,042	193,397,294	185,388,506
Total assets	**211,763,080**	**38,088,081**	**249,851,161**	**229,114,149**
LIABILITIES				
Current liabilities				
Accounts payable (note 5)	2,587,002	-	2,587,002	1,671,494
Accrued liabilities (note 5)	3,973,483	611,206	4,584,689	3,224,996
Other liabilities	758,131	-	758,131	805,237
Deferred revenue (note 7)	2,579,476	435,226	3,014,702	2,854,882
Current portion of bonds, notes, and capital leases	2,417,744	154,782	2,572,526	2,276,455
Funds held for others	411,479	-	411,479	405,812
Total current liabilities	12,727,315	1,201,214	13,928,529	11,238,876
Noncurrent liabilities (note 13)				
Accrued liabilities (note 5)	2,830,326	-	2,830,326	2,621,770
Bonds, notes, and capital leases (notes 9 and 11)	24,176,494	1,205,329	25,381,823	27,326,615
Total noncurrent liabilities	27,006,820	1,205,329	28,212,149	29,948,385
Total liabilities	**39,734,135**	**2,406,543**	**42,140,678**	**41,187,261**
NET ASSETS				
Invested in capital assets, net of related debt	128,596,524	11,056,847	139,653,371	132,413,228
Restricted for:				
Nonexpendable				
Scholarships	-	10,438,312	10,438,312	9,165,381
Expendable				
Scholarships and grants	5,358,817	13,623,944	18,982,761	16,063,050
U. S. government grants, refundable	1,744,909	-	1,744,909	1,744,909
Loans	1,028,418	-	1,028,418	1,067,361
Capital projects	3,026,892	-	3,026,892	1,928,671
Debt service	487,513	-	487,513	528,909
Unrestricted	31,785,872	562,435	32,348,307	25,015,379
Total net assets	**$ 172,028,945**	**$ 35,681,538**	**$ 207,710,483**	**$ 187,926,888**

The accompanying notes are an integral part of the Financial Statements

Utah Valley State College
Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended June 30, 2007

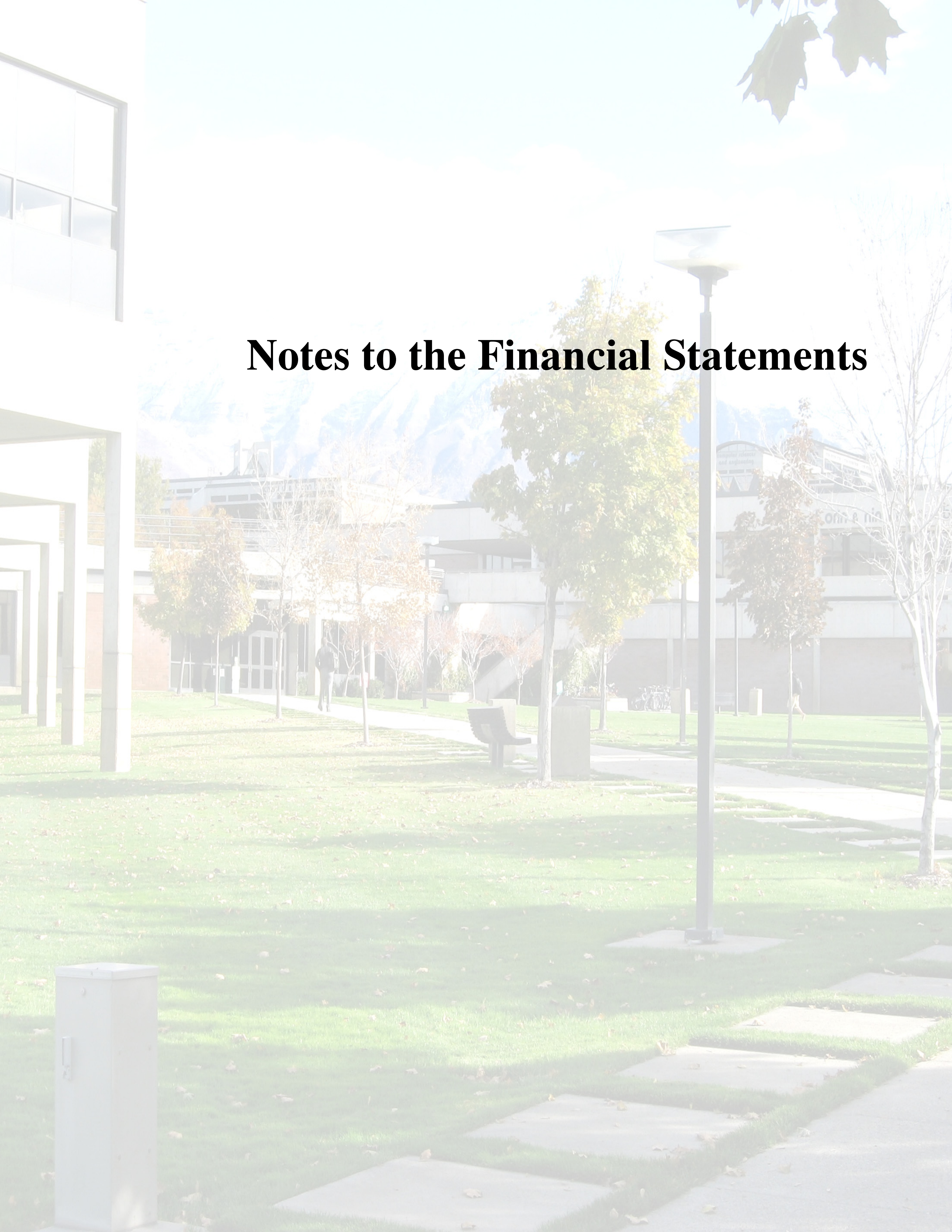
	Primary Institution UVSC 2007	Component Unit UVSC Foundation 2007	Total 2007	Comparative Total 2006
REVENUES				
Operating revenues				
Student tuition and fees (net of allowances of $6,748,421)	$ 66,916,517	$ -	$ 66,916,517	$ 59,893,129
Federal grants and contracts	27,431,275	-	27,431,275	26,309,267
State grants and contracts	5,512,868	-	5,512,868	5,766,355
Private grants and contracts	53,078	-	53,078	35,407
Sales and service of education departments	5,361,248	-	5,361,248	5,771,258
Auxiliary enterprises (net of scholarship allowances of $840,865)	12,847,805	-	12,847,805	12,049,398
Other operating revenues	4,364,966	-	4,364,966	3,755,190
Total operating revenues	**122,487,757**	**-**	**122,487,757**	**113,580,004**
EXPENSES				
Operating expenses				
Salaries	74,581,613	-	74,581,613	70,865,571
Fringe benefits	28,036,058	-	28,036,058	28,018,945
Student financial aid	18,387,200	1,014,194	19,401,394	18,457,940
Maintenance and utilities	6,042,927	-	6,042,927	6,558,508
General and administrative	24,294,706	2,526,466	26,821,172	27,330,265
Cost of goods sold - auxiliary enterprises	8,988,557	-	8,988,557	7,999,185
Depreciation	6,778,235	-	6,778,235	6,575,546
Total operating expenses	167,109,296	3,540,660	170,649,956	165,805,960
Operating loss	**(44,621,539)**	**(3,540,660)**	**(48,162,199)**	**(52,225,956)**
NONOPERATING REVENUES (EXPENSES)				
State appropriations	50,590,656	-	50,590,656	49,201,546
Gifts	2,275,526	6,524,248	8,799,774	4,426,891
Investment income (net of Foundation investment expense of $205,781.)	2,667,442	2,249,548	4,916,990	3,189,711
Interest on capital asset-related debt	(1,434,900)	-	(1,434,900)	(1,280,060)
Other nonoperating revenues (expenses)	(90,890)	109,938	19,048	9,764
Net nonoperating revenues	54,007,834	8,883,734	62,891,568	55,547,852
Income before other revenues, expenses, gains, or losses	**9,386,295**	**5,343,074**	**14,729,369**	**3,321,896**
Capital appropriations	3,620,752	-	3,620,752	2,744,915
Gifts to endowments	-	827,109	827,109	763,078
Capital grants and gifts	606,365	-	606,365	521,970
Total other revenues	4,227,117	827,109	5,054,226	4,029,963
Increase in net assets	**13,613,412**	**6,170,183**	**19,783,595**	**7,351,859**
NET ASSETS				
Net assets--beginning of year, as restated (note 18)	158,415,533	29,511,355	187,926,888	180,575,029
Net assets--end of year	**$ 172,028,945**	**$ 35,681,538**	**$ 207,710,483**	**$ 187,926,888**

The accompanying notes are an integral part of the Financial Statements

Utah Valley State College
Statement of Cash Flows
For the Year Ended June 30, 2007

		Primary Institution UVSC
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tuition and fees	$	66,459,252
Receipts from grants and contracts		35,271,298
Receipts from auxiliary and educational sales and services		18,322,759
Collection of loans to students		298,611
Payments to suppliers		(38,681,605)
Payments for employee services and benefits		(101,081,870)
Payments for student aid: scholarships and fellowships		(18,387,200)
Loans issued to students		(460,135)
Other operating payments		(217,546)
Other operating receipts		4,411,677
Net cash used by operating activities		**(34,064,759)**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations		50,514,672
Gifts		2,639,375
Net cash provided by noncapital financing activities		**53,154,047**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grants and gifts received		55,425
Purchases of capital assets		(4,758,551)
Proceeds from disposal of capital assets		710,225
Principal paid on capital debt and leases		(2,685,024)
Interest paid on capital debt and leases		(1,323,713)
Proceeds from capital debt issued		84,923
Net cash used by capital and related financing activities		**(7,916,715)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt of interest on investments		2,668,039
Net cash provided by investing activities		**2,668,039**
Net decrease in cash		**13,840,612**
Cash - beginning of year		**31,659,292**
Cash - end of year	**$**	**45,499,904**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITY		
Operating income (loss)	**$**	**(44,621,539)**
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense		6,778,235
Agency funds transactions		(545,953)
Changes in assets and liabilities		
Receivables, net		1,095,154
Inventories		257,960
Prepaid expenses, deferred charges		217,700
Accounts payable		919,270
Accrued liabilities		1,649,078
Deferred revenue		226,777
Funds held for others		5,667
Other liabilities		(47,108)
Net Cash Used by Operating Activities	**$**	**(34,064,759)**
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Donated library books	$	35,713
Donated assets		218,750
Assets contributed by DFCM		3,518,509
Total Noncash Activities	**$**	**3,772,972**

The accompanying notes are an integral part of the Financial Statements



Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies

Nature of Operations

Utah Valley State College (the College) is a state college comprised of two interdependent divisions. The lower division embraces and preserves the philosophy and mission of a comprehensive community college, while the upper division consists of programs leading to baccalaureate degrees in areas of high community demand and interest. This blend of objectives better serves the state, national, and international communities by providing students with a wide variety of proficiencies from which to select.

Reporting Entity

The financial reporting entity, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion could cause the financial statements to be misleading or incomplete.

Utah Valley State College is considered a component unit of the State of Utah because it receives appropriations from the State. The financial activity of the College is included in the State's Comprehensive Annual Financial Report.

The Utah Valley State College Foundation (the Foundation) is a separate but affiliated non-profit corporation. The accounts of the Foundation are reported in the Component Unit Column of the financial statements. The Foundation is administered by a Board of Directors comprised of various members of the local community. The College President is a permanent non-voting member of the Board. The College also provides accounting and financial services to the Foundation. The Foundation has been reported as a discrete component unit.

The Foundation issues separate financial statements which are audited by other independent auditors and are available through the College's Institutional Advancement Office upon request. These statements follow the Financial Accounting Standards Board (FASB) guidelines. Footnotes for the Foundation are included accordingly.

Note 1 Summary of Significant Accounting Policies (continued)

Prior-year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the College's financial statements for the year ended June 30, 2006, from which the summarized information was derived.

Basis of Accounting

For financial reporting purposes, the College is considered a special purpose government entity engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The College has the option to apply all FASB pronouncements issued after November 30, 1989, unless they conflict with GASB. The College has elected not to exercise this option.

Cash Equivalents

For the purposes of the Statement of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the Public Treasurer's Investment Fund (PTIF) are considered cash equivalents.

Investments

The College accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.* Changes in unrealized gains (losses) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Assets.

Note 1 Summary of Significant Accounting Policies (continued)

<u>Accounts Receivable</u>

Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of Utah. Accounts receivable also include amounts due from the Federal Government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

<u>Inventories</u>

Inventories are carried at the lower of cost or market on either the first-in, first-out (FIFO) basis or on the average cost basis.

<u>Noncurrent Cash and Investments</u>

Cash and investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as restricted noncurrent assets in the statement of net assets.

<u>Capital Assets</u>

Capital assets are recorded at cost on the date of acquisition or fair market value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life greater than one year. Buildings, building additions, and building improvements that extend the useful life of the asset or infrastructure, and leasehold and land improvements are capitalized if the cost is over $50,000. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Note 1 Summary of Significant Accounting Policies (continued)

Capital Assets (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives of the assets: 40 years for buildings, 30 years for infrastructure and aircraft (less than 15 years old when acquired), 20 years for the library collection, 15 years for aircraft (greater than 15 years old when acquired), 10 years for land improvements and works of art, and 3 to 5 years for equipment. Leasehold improvements are amortized over the lesser of the useful life of the improvement or the lease term.

Noncurrent Liabilities

Noncurrent liabilities include: (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; and (2) estimated amounts for accrued liabilities that will not be paid within the next fiscal year.

Deferred Revenues

Deferred revenues include amounts received for tuition, fees, and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Deferred revenues also include amounts received from grants and contract sponsors that have not yet been earned.

Bond Discounts/Premiums/Issuance Costs/Deferred Amount on Refunding

Bond discounts and premiums, as well as issuance costs and the deferred amount on refunding, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium, discount, or deferred amount on refunding. Issuance costs are reported as deferred charges.

Compensated Absences

Employee vacation and compensation pay is accrued at year end for financial statement purposes. The liability and expense incurred are recorded at year end as accrued liabilities in the Statement of Net Assets.

Note 1 Summary of Significant Accounting Policies (continued)

Classification of Revenues

The College has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues
Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, (3) most Federal, state and local grants and contracts, and (4) fees charged to institutional loans.

Nonoperating Revenues
Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating cash flows by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments,* such as state appropriations and investment income.

Expenses

When expenses are incurred for purposes for which both restricted and unrestricted resources are available, it is the College's general policy to use restricted resources first.

Net Assets—The College's net assets are classified as follows:

Invested in capital assets, net of related debt
This amount represents the College's total investment in capital assets, net of outstanding debt obligations 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 invested in capital assets, net of related debt.

Note 1 Summary of Significant Accounting Policies (continued)

Restricted net assets – nonexpendable

Nonexpendable restricted net assets consist 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 be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to the principal.

Restricted net assets – expendable

Restricted expendable net assets include resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted net assets

Unrestricted net assets represent resources derived from student tuition and fees, state appropriations, sales and services of educational departments, 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 governing board to meet current expenses for any purpose. These resources include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

Note 2 Deposits and Investments

The College

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the State of Utah Money Management Act (the Act) that relate to the deposit and investment of public funds.

The College follows the requirements of the Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of College funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Note 2 Deposits and Investments (continued)

As of July 1, 2005 for endowment funds, the College follows the requirements of the Uniform Management of Institutional Funds Act (UMIFA) and State Board of Regents Rule 541, Management and Reporting of Institutional Investments (Rule 541).

The Act defines the types of securities authorized as appropriate investments for the College's non-endowment funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with the issuers of the investments securities.

These statutes authorize the College to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund.

The UMIFA and Rule 541 allow the College to invest endowment funds (including gifts, devises, or bequests of property of any kind from any source) in any of the above investments or any of the following subject to satisfying certain criteria: professionally managed pooled or commingled investment funds registered with the Securities and Exchange Commission or the Comptroller of the Currency (e.g., mutual funds); professionally managed pooled or commingled investment funds created under 501(f) of the Internal Revenue Code which satisfy the conditions for exemption from registration under Section 3(c) of the Investment Company Act of 1940; any investment made in accordance with the donor's directions in a written instrument; and any alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital, private equity, both domestic and international), natural resources, and private real estate assets or absolute return and long/short hedge funds.

Note 2 Deposits and Investments (continued)

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Deposits

At June 30, 2007, the carrying amounts of the College's deposits and bank balances were $531,065 and $1,968,955, respectively. The bank balances of the College were insured for $200,000, by the Federal Deposit Insurance Corporation. The bank balances in excess of $200,000 were uninsured and uncollateralized, leaving $1,768,955 exposed to custodial credit risk. All deposits were held by a qualified depository as defined by the State Money Management Act. The State of Utah does not require collateral on deposits.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the College's deposits may not be returned to the College. The College does not have a formal deposit policy for custodial credit risk.

Note 2 Deposits and Investments (continued)

Investments

As of June 30, 2007, the College had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (In Years) Less than One
State of Utah Public Treasurer's Investment Fund	$ 44,105,432	$ 44,105,432
Repurchase Agreements comprised of Investments in U.S. Agencies	1,977,018	1,977,018
Money Market Mutual Fund comprised of Government Securities	3,950	3,950
Totals	**$ 46,086,400**	**$ 46,086,400**

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The College's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act or the UMIFA and Rule 541, as applicable. For non-endowment funds, Section 51-7-11 of the Money Management Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 2 years. For endowment funds, Rule 541 is more general, requiring only that investments be made as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the endowments and by exercising reasonable care, skill, and caution.

Note 2 Deposits and Investments (continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College's policy for reducing its exposure to credit risk is to comply with the Act, the UMIFA, and Rule 541, as previously discussed.

At June 30, 2007, the College had investments and quality ratings as follows.

		Quality Rating	
Investment Type	**Fair Value**	**AAA**	**Unrated**
State of Utah Public Treasurer's Investment Fund	$ 44,105,432	$ -	$ 44,105,432
Repurchase Agreements comprised of Investments in U.S. Agencies	1,977,018	1,977,018	-
Money Market Mutual Fund comprised of Government Securities	3,950	3,950	-
Totals	**$ 46,086,400**	**$ 1,980,968**	**$ 44,105,432**

The College's investments in repurchase agreements were comprised of government securities held by Wells Fargo. The College's investments in the money market mutual funds were comprised of government securities and were rated by Standard & Poor's.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The College's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council or the UMIFA and Rule 541, as applicable. Rule 17 of the Money Management Council limits non-endowment fund investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. For endowment funds, Rule 541 requires that a minimum of 25% of the equity portfolio must be invested in companies with an average market capitalization of at least $10 billion; also a minimum of 25% of the overall

Note 2 Deposits and Investments (continued)

endowment portfolio should be invested in investment grade fixed income securities as defined by Moody's Investors Service or Standard and Poor's. The overall endowment portfolio cannot consist of more than 75% equity investments. Rule 541 also limits investments to no more than 3% in any one sector fund that is concentrated within one sector of the U.S. market and no more than 5% in equity or fixed income funds of developing markets. It also limits investments in alternative investment funds, as allowed by Rule 541, to between 0% and 30% based on the size of the College's endowment fund.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College does not have a formal policy for custodial credit risk. As of June 30, 2007, the College had $1,977,019 in repurchase agreements comprised of government securities which were held by the counterparty's trust department or agent but not in the government's name.

The Foundation

Deposits – The Foundation

The Foundation maintains its cash balances in the Public Treasurer's Investment Fund (PTIF) with the Utah State Treasurer and in several financial institutions. The amount on deposit at June 30, 2007, in the PTIF account was $924,272 and was combined with the College's PTIF account. Although this amount is not covered by federal depository insurance, PTIF balances are secured by investments purchased in compliance with the Act. The total amount deposited in various other financial institutions at June 30, 2007, was $36,029, all of which was insured by the Federal Deposit Insurance Corporation.

Custodial Credit Risk – The Foundation

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Foundation's deposits may not be returned to the Foundation. The Foundation does not have a formal deposit policy for custodial credit risk.

Note 2 **Deposits and Investments (continued)**

Investments – The Foundation

As of June 30, 2007, the Foundation had the following investments and maturities:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than One**	**One to Five**	**Five to Ten**	**Ten to Twenty**
Money Market Accounts	$ 708,971	$ 708,971	$ -	$ -	$ -
Certificates of Deposit	628,076	380,402	247,674	-	-
US Government Securities	2,102,153	-	1,416,733	471,888	213,532
Corporate Bonds	898,812	-	718,239	180,573	-
Mutual Funds	885,972	-	853,911	32,061	-
Total	5,223,984	**$ 1,089,373**	**$ 3,236,557**	**$ 684,522**	**$ 213,532**
Common and Preferred Stocks	11,690,598				
Total	**$ 16,914,582**				

Interest Rate Risk – The Foundation

Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. The Foundation investment policy limits investing in any issuance with a maturity over 30 years and requires the overall portfolio average life to be less than 15 years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The Foundation

Credit quality can be a depiction of potential variable cash flows and credit risk. The credit rating reported is a weighted average of the Standard & Poors rating of all Foundation holdings. The Foundation does not have a formal investment policy that limits its investment choices in regard to credit quality ratings.

Note 2 Deposits and Investments (continued)

At June 30, 2007, the Foundation had the following investments and quality ratings:

Investment Type	Fair Value	Quality Rating AAA to A+	A	B	Unrated
Common and Preferred Stocks	$ 11,690,598	$ -	$ -	$ -	$ 11,690,598
Money Market Accounts	708,971	-	-	-	708,971
Certificates of Deposit	628,076	-	-	-	628,076
US Government Securities	2,102,153	-	-	-	2,102,153
Corporate Bonds	898,812	107,466	-	-	791,346
Mutual Funds	885,972	-	172,612	7,961	705,399
Totals	**$ 16,914,582**	**$ 107,466**	**$ 172,612**	**$ 7,961**	**$ 16,626,543**

Custodial Credit Risk - Foundation

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Foundation will not be able to recover the value of the investments that are in the possession of an outside party. The Foundation does not have a formal investment policy for custodial credit risk in regard to the custody of the Foundations investments.

Concentration of Credit Risk - Foundation

Although investments intrinsically carry credit risk, when investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The Foundation's investment policy limits to 3 percent of the total portfolio fair value the amount the Foundation may invest in any one issuer.

Note 3 Accounts and Notes Receivable

College accounts receivable consisted of the following at June 30, 2007:

Student tuition and fees	$ 3,827,562
Operating activities	529,217
Auxiliary enterprises	637,215
DFCM	123,089
State grants and contracts	41,785
Federal grants and contracts	1,196,123
Other grants and contracts	2,459
	6,357,450
Less allowance for doubtful accounts	(873,806)
Net accounts receivable	**$ 5,483,644**

College notes receivable consisted of the following at June 30, 2007:

Loans to students	$ 2,379,350
Less allowance for doubtful accounts	(180,255)
Net notes receivable	2,199,095
Less noncurrent portion	**(1,848,491)**
Current portion	**$ 350,604**

Note 4 Inventories

Inventories at June 30, 2007 were as follows:

Auxiliary enterprises	$ 1,170,985
Supplies and other inventory	317,070
Total	**$ 1,488,055**

Note 5 Accounts Payable and Accrued Liabilities

College accounts payable consisted of the following at June 30, 2007:

State taxes payable	$ 25,750
Interest payable	184,552
Vendors payable	1,736,400
DFCM payable	187,680
State and Federal Grants	226,672
Employee deposits payable	225,948
Total Accounts Payable	**$ 2,587,002**

College accrued liabilities consisted of the following at June 30, 2007:

Federal taxes payable	$ 57,468
State taxes payable	287,377
Wages payable	291,248
Accrued retirement payable	995,197
Accrued leave payable	3,144,771
Medical and Dental claims payable	1,488,968
Payroll liabilities	538,780
Total Accrued Liabilities	6,803,809
Less noncurrent portion	**(2,830,326)**
Current portion	**$ 3,973,483**

Note 6 Loans Receivable

Student loans made through the Federal Perkins Loan Program comprise substantially all of the notes receivable at June 30, 2007. Under this perpetual loan program, the Federal Government provides approximately 75% of the initial funds contributed to the program which in turn are issued as loans to students. The College provides a matching contribution to the fund of 25%. Under certain conditions, loans can be forgiven at annual rates of 10% to 30% of the balance up to maximums of 50% to 100% of the balance of the loan. The Federal Government reimburses the College a portion of amounts cancelled under these provisions.

As the College determines that loans are uncollectible and not eligible to be forgiven by the Federal Government, the loans are written off and assigned to the U.S. Department of Education. The College has provided an allowance for uncollectible loans which in management's opinion, is sufficient to absorb loans that will ultimately be written off. At June 30, 2007, the allowance for uncollectible loans was $180,255.

Note 7 Deferred Revenue

Deferred revenue of the College consisted of the following at June 30, 2007:

Prepaid tuition and fees	$ 2,579,476

Note 8 Capital Assets

The following are the changes in capital assets of the College for the year ended June 30, 2007:

	Beginning Book Value	Increases	Decreases	Ending Book Value
Capital Assets not Being Depreciated				
Land	$ 7,563,666	$ 1,326,150	$ -	$ 8,889,816
Land improvements - nondepreciable	3,101,555	-	-	3,101,555
Works of art and historical treasures	97,250	18,750	-	116,000
Construction in process	346,586	1,040,547	(535,694)	851,439
Total Nondepreciable	**11,109,057**	**2,385,447**	**(535,694)**	**12,958,810**
Capital Assets Being Depreciated				
Land improvements - depreciable	2,713,628	1,126,221	-	3,839,849
Infrastructure	15,180,208	1,238,934	-	16,419,142
Buildings	154,718,790	1,495,321	-	156,214,111
Leasehold Improvements	920,000	193,726	-	1,113,726
Equipment	21,373,146	3,676,667	(1,608,538)	23,441,275
Library books	4,191,868	312,119	(69,065)	4,434,922
Total Depreciable	**199,097,640**	**8,042,988**	**(1,677,603)**	**205,463,025**
Less Accumulated Depreciation				
Land improvements - depreciable	1,759,941	294,997	-	2,054,938
Infrastructure	1,652,743	544,750	-	2,197,493
Buildings	37,021,781	3,886,609	-	40,908,390
Leasehold Improvements	598,126	109,250	-	707,376
Equipment	14,957,918	1,726,718	(989,186)	15,695,450
Library Books	1,520,323	215,911	(68,807)	1,667,427
Total Accumulated Depreciation	**57,510,832**	**6,778,235**	**(1,057,993)**	**63,231,074**
Capital Assets Being Depreciated, Net	**141,586,808**	**1,264,753**	**(619,610)**	**142,231,951**
Total Capital Assets, Net	**$ 152,695,865**	**$ 3,650,200**	**$(1,155,304)**	**$ 155,190,761**

The capital assets of the Foundation for years ending June 30 were as follows:

	2007	2006
Rental Income Property	$ 9,108,358	$ 4,666,833
Land	3,308,600	4,653,600
Total Capital Assets	**$ 12,416,958**	**$ 9,320,433**

Note 9 Bonds Payable

Bonds payable consist of the Municipal Building Authority of Utah County, Utah, Lease Revenue Bonds, (Federally Taxable), Series 2004A and Lease Revenue Refunding Bonds, Series 2004B (Utah Valley State College Project) {MBA 2004A&B} and the State Board of Regents of the State of Utah, Student Center Building Fee and Unified System Revenue Refunding Bonds, Series 2004A and Series 2004B (Federally Taxable) {SBR 2004A&B}.

The Municipal Building Authority of Utah County, Utah, issued Lease Revenue Bonds, (Federally Taxable) Series 2004A (Utah Valley State College Project), in the amount of $3,900,000 and Lease Revenue Refunding Bonds, Series 2004B (Utah Valley State College Project), in the amount of $2,600,000, on August 3, 2004. The Authority leased the 2004 Projects to Utah County, Utah pursuant to a Master Lease Agreement dated August 1, 2004. The County, in turn, subleased the Series 2004 Projects to the State Board of Regents of the State of Utah on behalf of the College, pursuant to a Sublease Agreement dated as of August 1, 2004. The MBA 2004A&B Bonds were issued for the purpose of (i) refunding all of the Authority's outstanding 1999 Bonds; (ii) financing the acquisition and construction of a baseball stadium and related improvements; (iii) satisfying a reserve fund requirement; and (iv) paying the costs associated with the issuance of the 2004 Bonds.

The State Board of Regents of the State of Utah issued Student Center Building Fee and Unified System Revenue Refunding Bonds, Series 2004A, in the amount of $11,020,000, and Student Center Building Fee and Unified System Revenue Refunding Bonds, (Federally Taxable) Series 2004B, in the amount of $4,035,000 for and on behalf of the College on August 3, 2004. The SBR 2004A&B Bonds were issued for the purpose of (i) refunding all of the State Regent's outstanding 2000 Bonds and the 1995A Bonds; (ii) satisfying a reserve fund requirements; and (iii) paying the costs associated with the issuance of the 2004 Bonds.

The College believes it is currently in compliance with all bond covenants.

Utah Valley State College
Notes to the Financial Statements
For the Year Ended June 30, 2007

Note 9 Bonds Payable (continued)

The bonds payable at June 30, 2007 consist of the following:

Description	**Original Issue**	**Balance June 30, 2007**	**Due Within One Year**
MBA 2004A Lease Revenue Bonds (Federally Taxable), due in annual installments through 2019, interest rates 4.5% to 6.0%	$ 3,900,000	$ 3,540,000	$ 195,000
Less Discount	(16,666)	(13,541)	(1,042)
Total Net MBA 2004A	**3,883,334**	**3,526,459**	**193,958**
MBA 2004B Lease Revenue Refunding Bonds, due in annual installments through 2014, interest rates 3.0% to 4.2%	2,600,000	1,965,000	215,000
Plus Premium	37,378	27,184	3,398
Less Deferred Amount on Refunding	(286,406)	(204,908)	(27,942)
Total Net MBA 2004B	**2,350,972**	**1,787,276**	**190,456**
SBR 2004A Student Center Building Fee and Unified System Revenue Refunding Bonds, due in annual installments through 2020, interest rates 3.0% to 4.5%	11,020,000	8,650,000	800,000
Plus Premium	105,719	87,063	6,219
Less Deferred Amount of Refunding	(1,097,895)	(900,837)	(67,563)
Total Net SBR 2004A	**10,027,824**	**7,836,226**	**738,656**

Note 9 Bonds Payable (continued)

Description	Original Issue	Balance June 30, 2007	Due Within One Year
SBR 2004B Student Center Building Fee and Unified System Revenue Refunding Bonds (Federally Taxable), due in annual installments through 2011, interest rate 5.0%	4,035,000	2,240,000	640,000
Plus Premium	119,799	74,874	14,975
Less Deferred Amount of Refunding	(172,564)	(103,142)	(23,801)
Total Net SBR 2004B	**3,982,235**	**2,211,732**	**631,174**
Total Net Bonds	**$ 20,244,365**	**$ 15,361,693**	**$ 1,754,244**

Principal and interest on the SBR 2004A&B Bonds and the MBA 2004A&B Bonds are secured by Pledged Revenues which consist of all (i) net operating revenues of the Bookstore, the Student Center, and all College Food Services; (ii) Student Center Building Fees; (iii) investment income; and (iv) HUD subsidy grant. The following is a summary of the pledged revenues for fiscal year 2007 and the bond payments due in fiscal year 2008:

Pledged Revenues	
Building Fee – Spring	$ 1,041,081
Building Fee – Summer	304,641
Building Fee – Fall	1,097,675
Total Building Fees	2,443,397
HUD Subsidy	34,580
Net Auxiliary Profits	508,051
Investment Income	5,864
Total Pledged Revenues	2,991,892
Principal and Interest Payments	
SBR 2004A&B Bonds	1,847,943
MBA 2004A&B Bonds	672,377
Total Principal and Interest Payments	2,520,320
Pledged Revenues in Excess of Payments	**$ 471,572**

Note 9 Bonds Payable (continued)

In addition, the SBR 2004A&B Bonds and the MBA 2004A&B Bonds are insured by a financial guaranty insurance policy issued by XL Capital Assurance Inc. The SBR 2004A&B Bonds and the MBA 2004A&B Bonds Debt Service Reserve Requirements have been met by the purchase of a Reserve Instrument from XL Capital Assurance Inc.

The scheduled maturities of bonds payable at June 30, 2007, are as follows:

Year	Principal	Interest	Total
2008	$ 1,850,000	$ 670,320	$ 2,520,320
2009	1,930,000	596,365	2,526,365
2010	2,005,000	520,307	2,525,307
2011	2,080,000	441,475	2,521,475
2012	2,170,000	353,882	2,523,882
2013-2017	3,780,000	1,082,778	4,862,778
2018-2021	2,580,000	236,074	2,816,074
Total	**$ 16,395,000**	**$ 3,901,201**	**$ 20,296,201**

In prior years, the College defeased the 1995A Revenue Cross-Over Refunding Bonds, the 1999 Lease Revenue Bonds, and the 2000 Student Center Building Fee and Unified System Revenue Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the College's financial statements. At June 30, 2007, $10,265,000 of bonds outstanding are considered defeased.

Note 10 Operating Leases

The College leases buildings, office space, airport facilities, and land under non-cancelable operating leases. Total costs for such leases were $319,174 for the year ended June 30, 2007. The following is a schedule by year of future operating lease payments for the previously described operating leases:

Fiscal Year Ending June 30	Operating Leases
2008	$ 493,660
2009	507,372
2010	507,551
2011	509,520
2012	509,519
2013-2017	1,434,312
2018-2022	1,142,299
2023-2027	1,093,631
2028-2030	44,239
Total Future Minimum Lease Payments	**$ 6,242,103**

Note 11 Capital Lease Obligations

The College has acquired certain equipment under various lease-purchase contracts or other capital lease agreements. The cost of College assets held under capital leases totaled $14,214,624 as of June 30, 2007. Accumulated depreciation of leased equipment totaled $1,802,315 at June 30, 2007.

The assets acquired through capital leases are as follows:

Asset:	
Aircraft	$ 2,292,240
Less: Accumulated Depreciation	(549,221)
Platesetter	84,923
Less: Accumulated Depreciation	(10,022)
Airport Hangers	1,113,726
Less: Accumulated Depreciation	(707,376)
ESCO Energy Savings Projects	10,723,735
Less: Accumulated Depreciation	(535,697)
Total Net Capital Lease Assets	**$ 12,412,309**

Note 11 Capital Lease Obligations (continued)

The following is a schedule by year of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2007.

Fiscal Year Ending June 30	**Capital Leases**
2008	$ 947,294
2009	965,783
2010	943,702
2011	924,545
2012	937,150
2013-2017	4,420,627
2018-2022	4,460,767
2023-2024	1,456,481
Total Future Minimum Lease Payments	15,056,349
Amounts Representing Interest	(4,623,804)
Present Value of Net Minimum Lease Payments	**$ 10,432,545**

Note 12 Early Retirement Liability

The College provides an early retirement option to qualified employees who are approved by the administration in accordance with College policy as approved by the State Board of Regents. Employees who retire from the College on or after age 57 and whose combined total of age and years of service is 75 or greater may be qualified to receive benefits.

Benefits are payable for five years or until the retiree reaches age 65, whichever occurs first. The benefits include a semi-monthly stipend equal to 20 percent of the retiree’s salary at the time of active employment along with medical and dental insurance. During the fiscal year ended June 30, 2007, 26 employees participated in the early retirement plan, of which 24 retirees received medical and dental insurance benefits and 24 received stipends.

The projected future cost of these stipends, and medical and dental insurance benefits have been calculated based on current payments plus projected increases expected of 2.1% and 8.74% respectively, based on historical data. The amount recognized on the financial statements was calculated at the discounted present value of the projected future costs.

Note 12 Early Retirement Liability (continued)

The discount rate used of 5.2% was based on the estimated yield expected to be earned on the investments of the College. These benefits are funded on a pay-as-you-go basis from current funds each year. For the year ended June 30, 2007, the expenses for the 20 percent incentive stipend were $250,705 and the expenses for medical and dental insurance were $192,302.

Note 13 Changes in Noncurrent Liabilities

The following is a summary of the changes to the College's noncurrent liabilities during the fiscal year ended June 30, 2007.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Revenue Bonds	$18,185,000	$ -	$(1,790,000)	$16,395,000	$1,850,000
Less deferred amounts, discounts, and premiums	(1,129,064)	-	95,757	(1,033,307)	(95,756)
Total Bonds payable	17,055,936	-	(1,694,243)	15,361,693	1,754,244
Note Payable	-	1,000,000	(200,000)	800,000	200,000
Capital Leases	11,042,647	84,923	(695,025)	10,432,545	463,500
Total Bonds, Notes and Capital Leases	28,098,583	1,084,923	(2,589,268)	26,594,238	2,417,744
Early Retirement	1,085,646	352,558	(443,007)	995,197	362,391
Compensated Absences	2,946,191	1,991,121	(1,792,541)	3,144,771	947,252
Total	**$32,130,420**	**$3,428,602**	**$(4,824,816)**	**$30,734,206**	**$3,727,387**

The Foundation's liabilities for the years ending June 30 were as follows:

	2007	2006
Notes Payable	$1,360,111	$1,504,487
Deferred annuity payments	611,206	692,035
Prepaid rental income	435,226	502,183
Total liabilities	**$2,406,543**	**$2,698,705**

Note 14 Pension Plans and Retirement Benefits

Plan Description

The College contributes to the State and School Contributory Retirement System and State and School Noncontributory Retirement System, cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS). URS provides refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The URS are established and governed by the respective chapters of Title 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement and Insurance Benefit Act in Title 49 provides for the administration of the URS and Plans under the direction of the Utah State Retirement Board which consists of the State Treasurer and six members appointed by the Governor. The URS issues a publicly available financial report that includes financial statements and required supplementary information for the State and School Contributory Retirement System and State and School Noncontributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 560 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy

Plan members in the State and School Contributory Retirement System are required to contribute 6.00 percent of their annual covered salary (all or part may be paid by the employer for the employee) and the College is required to contribute 9.73 percent of their annual covered salary. In the State and School Noncontributory Retirement System, the College is required to contribute 14.22 percent of their annual covered salary. The contribution rates are actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Note 14 Pension Plans and Retirement Benefits (continued)

The College contributions to the URS were:

	June 30, 2007	June 30, 2006	June 30, 2005
State and School Contributory Retirement System	$ 217,122	$ 214,037	$ 206,943
Noncontributory Retirement System	$ 2,601,113	$ 2,442,390	$ 2,296,464
401(k) Plan	$ 274,383	$ 273,820	$ 257,469

The contributions were equal to the required contributions for each year.

Teacher's Insurance and Annuity Association provides individual retirement fund contracts with each participating employee. Benefits provided to retired employees are generally based on the value of the individual contracts and the estimated life expectancy of the employee at retirement, and are fully vested from the date of employment. Employees are eligible to participate from the date of employment and are not required to contribute to the fund.

For the year ended June 30, 2007, the College's contribution to this defined contribution plan was 14.2 percent of the employee's eligible annual salary or $5,370,166. The College has no further liability once annual contributions are made.

Note 15 Risk Management

Due to the diverse risk exposure of the College, the insurance portfolio contains a full variety of coverage. The College participates in basic general liability, tort claim coverage, directors and officers liability, and property and casualty programs provided by the State of Utah Department of Risk Management. The College's liabilities for this policy are limited to the cost of premiums. In addition to these basic policies, the College's Department of Risk, Plant, and Property Management establishes guidelines in risk assessment, risk avoidance, risk transfer, and risk acceptance. The College's buildings and contents are insured for replacement value. Each loss incident is subject to a $1,000 deductible.

Note 16 Self-Insurance for Employee Health and Dental Care

As of July 1, 2006 the College established a self-insurance fund for employee health and dental care costs thus assuming full risk of loss. The College has established a reserve fund from which claims are paid. Educators Mutual Insurance Association of Utah has been contracted with by the College to provide certain administrative and management services such as the evaluation and payment of claims. In addition a consulting firm has been hired by the College to advise the College with regards to the plan.

The estimated claims liability was estimated based upon past experience adjusted for current trends. The estimate reflects the ultimate cost of settling the claims.

Changes in the College's estimated self-insurance claims for the past year are as follows:

	2007
Estimated claims liability – beginning of year	$ -
Current year claims and changes in estimates	12,673,050
Claim payments and administrative expenses	11,184,083
Estimated claims liability – end of year	**$ 1,488,967**

Note 17 Commitments and Contingent Liabilities

The College, through an Interlocal Cooperation Agreement (Agreement), is a participant with Utah County (County) in a joint venture to operate the McKay Events Center (Center) located on the College's campus. The Agreement provides that the title to the Center be held by the College and neither the County nor any other party may obtain any property interest in the land or the facility. The agreement also provides that in consideration of the financial contribution made by the County, at least 40 percent of the usage of the Center be for public and/or community use. The investment in the Center and the operating results are accounted for in the College's financial statements. There are no separately issued financial statements for this joint venture.

The College participates in certain Federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. It is highly unlikely that any disallowances would be material.

Note 17 Commitments and Contingent Liabilities (continued)

The Division of Facilities Construction and Management (DFCM) administers most of the construction of facilities for State institutions, maintains records, and furnishes cost information for recording capital assets on the books of the College. Construction projects are recorded on the books of the College as funds are expensed, or when projects are substantially completed if funded through State Appropriations administered through DFCM.

As of June 30, 2007, the College had outstanding commitments to DFCM for various projects totaling $1,715,525. Commitments for the College with relation to the Digital Learning Center accounted for $777,094 of the total. Construction of the Digital Learning Center began during the fall of 2006 with an expected completion date during the spring of 2009. The State will fund $46,750,000 of the construction costs. Of the total commitments, $59,276 was in relation to a project at the Wasatch Campus to remodel a classroom and to add addition space. The remaining commitment of $879,155 is for the construction of a multipurpose building which will in part house the Utah County Academy of Sciences. UCAS will be reimbursing the College for the billings received by the College from DFCM. These commitments represent funds needed in the future and are not recorded on the books.

Note 18 Related Party Transactions

The College entered into various agreements involving the Foundation:

A. The College leases four buildings from the Foundation under cancelable operating leases and a non-cancelable capital lease. Three of the building leases expire December 2013 and the fourth building lease expires June 2027. The lease agreements call for fixed payments that in substance provide adequate cash flows to service the debt on the buildings and provide a return of the Foundation's investment in the buildings.

   The future minimum annual payments to be paid under the lease agreements for the next five years ending June 30 are $647,626 for 2008, and $661,338 from 2009 to 2012.

Note 18 Related Party Transactions (continued)

The Foundation records lease revenue on the straight-line method. The difference between the amounts of lease receipts and lease revenue is recorded as an adjustment to prepaid rental income.

During the year ended June 30, 2000, the College made certain improvements and payments totaling $485,179 for one of the buildings it leases from the Foundation. The amounts paid by the College are recorded as a liability (prepaid rental income) on the statements of financial position of the Foundation. The College has paid additional amounts in succeeding years. The balance on the financial statements of the Foundation on June 30, 2007 and 2006 is $435,227 and $502,183, respectively. The prepaid rental income is amortized over the remaining life of the 15-year lease on the straight-line method.

B. During the years ended June 30, 2007 and 2006, the Foundation had certain transactions with the College in its capacity to support the College. The Foundation forwarded funds and donated in-kind materials and equipment to the College for scholarships, awards, departments, and general use. Funds forwarded for departments during the years ended June 30, 2007 and 2006 include wages and purchases of items to enhance College programs. The College provides facilities and services to the Foundation, the value of which is undetermined and is not recorded on the financial statements.

C. During the year ended June 30, 2007, the Foundation sold a parcel of land to the College. The sales price to the College was $1,000,000 in the form of a note bearing interest at eight percent. The amount due at June 30, 2007 was $800,000. The College will pay four annual principal payments to the Foundation of $200,000 each for fiscal years 2008, 2009, 2010. and 2011 plus accrued interest of $64,000, $48,000, $32,000 and $16,000, respectively.

The Foundation originally paid $1,200,000 for this parcel of land. The Foundation reported the additional $200,000 value of the land as an expense during 2007 and the College reported the amount as gift revenue.

Note 19 Restatement of Previously Reported Amounts

During the year the College discovered a lease that had been reported as an operating lease in prior years and should have been reported as a capital lease. The College has corrected the reporting of the lease for the year ended June 30, 2007 and has made changes to previously reported amounts shown as comparative totals for 2006 as follows:

Statement of Net Assets
Comparative Totals As of June 30, 2006

	As Originally Reported	As Adjusted	Change
ASSETS			
Prepaid expenses, deferred charges	$ 962,952	$ 970,597	$ 7,645
Depreciable capital assets, net	145,931,767	146,253,641	321,874
LIABILIITES			
Current portion of bonds, notes, and capital leases	2,172,660	2,276,455	103,795
Bonds, notes, and capital leases	27,020,565	27,326,615	306,050
NET ASSETS			
Invested in capital assets, net of related debt	132,501,199	132,413,228	(87,971)
Unrestricted	25,007,734	25,015,379	7,645

Statement of Revenues, Expenses, and Changes in Net Assets
Comparative Totals For the Year Ended June 30, 2006

	As Originally Reported	As Adjusted	Change
EXPENSES			
General and Administrative	$ 27,453,841	$ 27,330,265	$(123,576)
Depreciation	6,483,546	6,575,546	92,000
NONOPERATING REVENUES (EXPENSES)			
Interest on capital asset-related debt	(1,254,782)	(1,280,060)	(25,278)
NET ASSETS			
Net assets–beg. of year	180,661,653	180,575,029	(86,624)

Utah Valley State College
Notes to the Financial Statements
For the Year Ended June 30, 2007

Note 20 Natural Classifications with Functional Classifications

The College's operating expenses by functional classification were as follows:

Year Ended June 30, 2007

	Natural Classification							
	Compensation	**Benefits**	**Financial Aid**	**Maintenance**	**General and Administrative**	**Auxiliary**	**Depreciation**	**Total**
Functional Classification								
Instruction	39,031,700	14,750,183	-	602,747	8,392,560	-	-	62,777,190
Academic Support	7,595,273	3,167,690	-	474,745	2,553,729	-	-	13,791,437
Student Services	8,852,837	3,963,383	-	114,090	3,774,636	-	-	16,704,946
Institutional Support	10,216,212	2,685,213	-	1,208,031	6,444,027	-	-	20,553,483
Operation and Maintenance of Plant	3,866,239	2,236,204	-	3,295,120	960,717	-	-	10,358,280
Student Financial Aid	1,756,392	37,256	18,387,200	-	-	-	-	20,180,848
Public Service	125,100	60,493	-	514	13,102	-	-	199,209
Auxiliaries	3,137,860	1,135,636	-	347,680	2,155,935	8,988,557	-	15,765,668
Depreciation	-	-	-	-	-	-	6,778,235	6,778,235
Total Expenses	**74,581,613**	**28,036,058**	**18,387,200**	**6,042,927**	**24,294,706**	**8,988,557**	**6,778,235**	**167,109,296**

Year Ended June 30, 2006

	Natural Classification							
	Compensation	**Benefits**	**Financial Aid**	**Maintenance**	**General and Administrative**	**Auxiliary**	**Depreciation**	**Total**
Functional Classification								
Instruction	37,451,676	13,892,852	-	610,616	7,398,798	-	-	59,353,942
Academic Support	7,443,008	3,188,383	-	154,056	2,858,872	-	-	13,644,319
Student Services	7,998,529	3,593,278	-	99,413	2,790,310	-	-	14,481,530
Institutional Support	10,030,476	4,379,097	-	861,982	8,090,560	-	-	23,362,115
Operation and Maintenance of Plant	3,401,242	1,947,147	-	4,553,003	1,410,822	-	-	11,312,214
Student Financial Aid	1,557,758	23,858	17,994,924	-	-	-	-	19,576,540
Public Service	61,747	26,146	-	-	30,187	-	-	118,080
Auxiliaries	2,921,135	968,184	-	279,438	2,437,960	7,999,185	-	14,605,902
Depreciation	-	-	-	-	-	-	6,575,546	6,575,546
Total Expenses	**70,865,571**	**28,018,945**	**17,994,924**	**6,558,508**	**25,017,509**	**7,999,185**	**6,575,546**	**163,030,188**

College Governance

Board of Trustees

College Administration

Utah State Board of Regents

**THIS REPORT IS PREPARED BY THE OFFICE OF THE
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