



Nashville State
Community College

ANNUAL FINANCIAL REPORT
Year Ending June 30, 2006

Fiscal Year
2005-2006



120 White Bridge Road
Nashville, TN 37209

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE

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September 21, 2006

Dr. Charles W. Manning
Chancellor
Tennessee Board of Regents
1415 Murfreesboro Road, Suite 350
Nashville, TN 37217

Dear Dr. Manning:

Presented herewith is the Annual Financial Report for the fiscal year ended June 30, 2006.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "George H. Van Allen", is written over a light blue horizontal line.

George H. Van Allen
President

lwr

Attachments



September 21, 2006

Dr. George Van Allen, President
Nashville State Technical Community College
120 White Bridge Road
Nashville, TN 37209

Dear Dr. Van Allen:

The unaudited financial statements of Nashville State Technical Community College for the year ended June 30, 2006, are attached, as are certain schedules to support these statements. The most recent certified audit was for the fiscal year ended June 30, 2003.

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 15, 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,

A handwritten signature in cursive script that reads "Debra Bauer".

Debra Bauer
Vice President
Finance & Administrative Services

lwr

Attachments

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE

Management's Discussion and Analysis

This section of Nashville State Technical 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, 2006, with comparative information presented for the fiscal year ended June 30, 2005. 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.

Using This Annual Report

This report consists of three basic financial statements. The Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Net Assets; and the Statement of Cash Flows provide information on Nashville State Technical Community College as a whole and present a long-term view of the College's finances.

The Statement of Net Assets

The Statement of Net Assets presents the financial position of the College at the end of the fiscal year and includes all assets and liabilities of the College. The difference between total assets and total liabilities – net assets – is an indicator of the current financial condition of the College. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allowance for depreciation.

Net assets are divided into three major categories. The first category, invested in capital assets, net of related debt, provides the College's equity in property, plant, and equipment owned by the College. The next asset category is restricted net assets, which is divided into two categories, nonexpendable and expendable. The corpus of nonexpendable restricted resources 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 to the institution for any lawful purpose of the institution.

Nashville State Technical Community College			
Statement of Net Assets (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Assets:			
Current assets	\$8,638	\$7,163	\$7,659
Capital assets, net	18,340	16,598	15,768
Other assets	11,963	8,741	10,112
Total Assets	\$38,941	\$32,502	\$33,539
Liabilities:			
Current liabilities	\$6,890	\$3,084	\$6,787
Noncurrent liabilities	609	402	251
Total Liabilities	\$7,499	\$3,486	\$7,038
Net Assets:			
Invested in capital assets, net of related debt	\$18,276	\$16,525	\$15,686
Restricted – nonexpendable	5	5	5
Restricted – expendable	374	325	302
Unrestricted	12,787	12,161	10,508
Total Net Assets	\$31,442	\$29,016	\$26,501

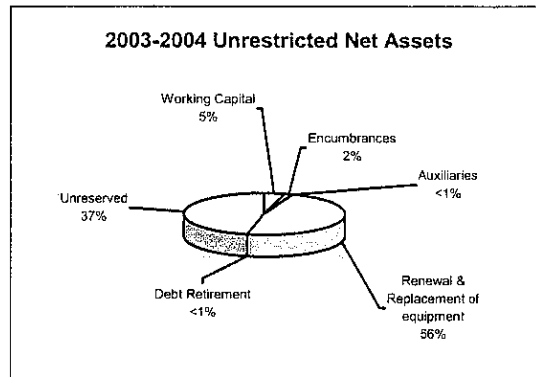
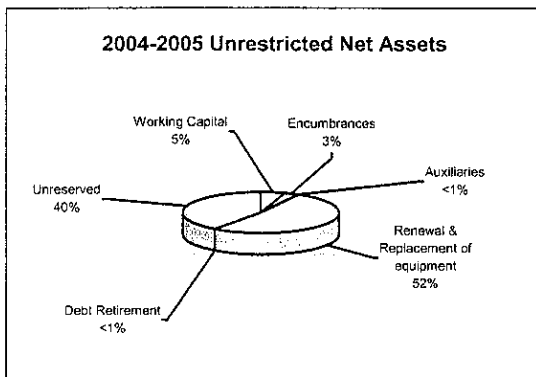
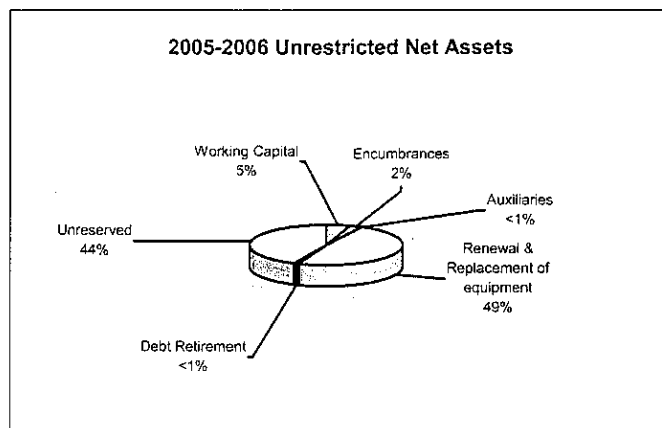
- Non-current liabilities in FY06 increased due to compliance with a recent audit position paper, “Determining the Current and Non-Current Portions of the Compensated Absences Liability,” calculation instructions.
- In FY 2006, restricted expendable funds increased because of the addition of CITE EDS project, SAGE staff development program, and the HCA nursing program.
- Unrestricted net assets increased in FY 2005 due to set-aside funds for Banner implementation.
- An increase in Non-current liabilities-compensated absences in FY 2005 was due to stable employment of staff at the College.

Nashville State Technical Community College Foundation			
Statement of Net Assets (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Assets:			
Current assets	\$608	\$665	\$438
Total Assets	\$608	\$665	\$438
Liabilities:			
Current liabilities	\$3	\$5	\$3
Total Liabilities	\$3	\$5	\$3
Net Assets:			
Invested in capital assets, net of related debt			
Restricted – nonexpendable	\$209	\$164	\$134
Restricted – expendable	172	281	137
Unrestricted	224	215	164
Total Net Assets	\$605	\$660	\$435

- The decrease in net assets of the Foundation between FY 2005 and FY 2006 is attributable to the expenditure of the Oprah Winfrey Scholarship funds. The gift of \$140,000 was given in FY 2005 for use in FY 2006.
- Between FY 2005 and FY 2004, increases in current assets and restricted nonexpendable, restricted expendable, and unrestricted net assets for the Nashville State Community College Foundation were attributable to the addition of two fundraising events, donations to the endowment fund and the receipt of a grant to fund the start-up expenses of a nursing program.

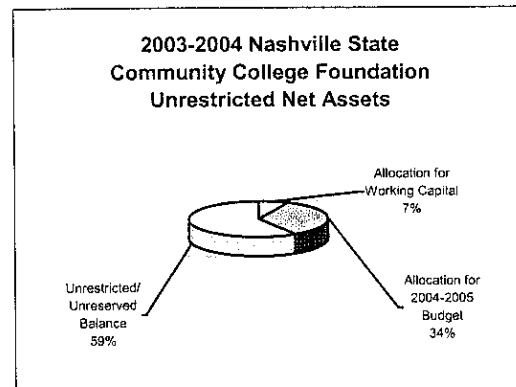
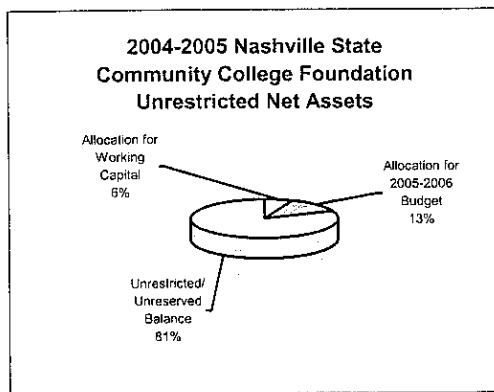
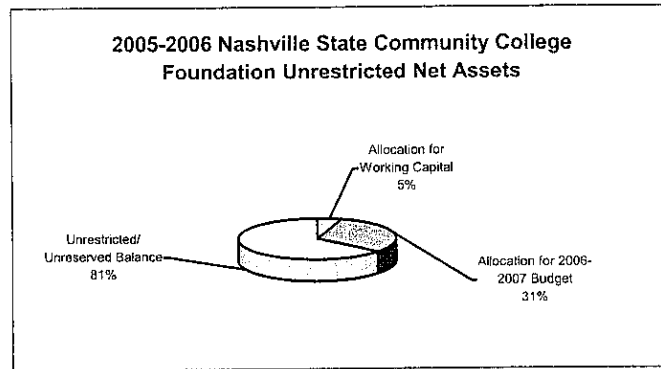
Many of the College's unrestricted net assets have been designated or reserved for specific purposes such as: repairs and replacement of equipment, future debt service, quasi-endowments, capital projects, and student loans. The following graph shows the allocations:

College:



- Software migration project has been on-going during FY 2005 and FY 2006. In FY 2004, funds transferred for this project increased Renewals and Replacements by approximately 20% from FY 2003.

Foundation:



- The allocation for the FY 2007 budget increased \$39,637.72 from the FY 2006 budget. The allocation for the Presidential Scholarship was reduced by \$3,049.00. The allocation for Dual Enrollment scholarships was increased by \$340.00. The allocation for the Development Office operating expenses was increased by \$6,763.72.

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

The Statement of Revenues, Expenses, and Changes in Net Assets presents the operating results of the College, as well as the nonoperating revenues and expenses. Annual state appropriations, while budgeted for operations, are considered non-operating revenues according to generally accepted accounting principles.

Nashville State Technical Community College			
Statement of Revenues, Expenses, and Changes in Net Assets (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Operating revenues:			
Net tuition and fees	\$8,065	\$7,371	\$7,161
Grants and contracts	2,664	3,239	3,507
Auxiliary	224	215	205
Other	329	263	157
Total operating revenues	\$11,282	\$11,088	\$11,030
Operating expenses	\$31,061	\$29,088	\$27,451
Operating loss	(\$19,779)	(\$18,000)	(\$16,421)

Nonoperating revenues and expenses:			
State appropriations	\$14,045	\$13,800	\$13,031
Gifts	127	183	228
Grants & contracts	6,383	6,078	4,748
Investment income	653	283	120
Other revenues and expenses	(7)	(12)	(12)
Total nonoperating revenues and expenses	\$21,201	\$20,332	\$18,115
Income (loss) before other revenues, expenses, gains, or losses	\$1,421	\$2,331	\$1,694
Other revenues, expenses, gains, or losses:			
Capital appropriations	\$1,002	\$295	\$1,028
Other	(1)	(94)	8
Total other revenues, expenses, gains, or losses	\$1,001	\$201	\$1,036
Increase (decrease) in net assets	\$2,422	\$2,532	\$2,731
Net assets at beginning of year, as originally reported	\$29,016	26,501	23,735
Net asset at beginning of period, restated	\$29,016	\$26,501	\$23,735
Prior period adjustment	\$4	(\$17)	\$35
Net assets at end of year	\$31,442	\$29,016	\$26,501

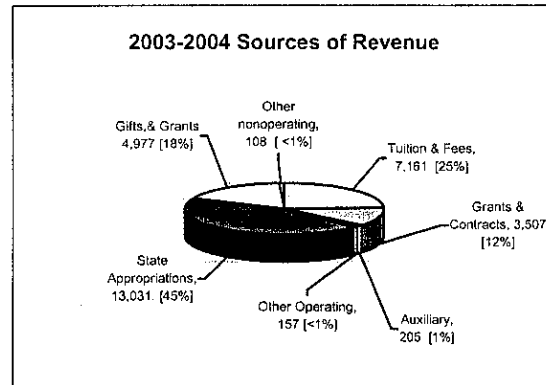
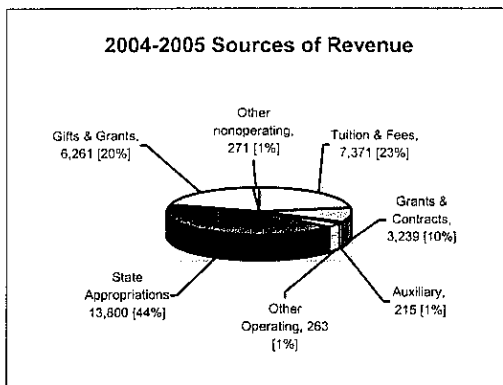
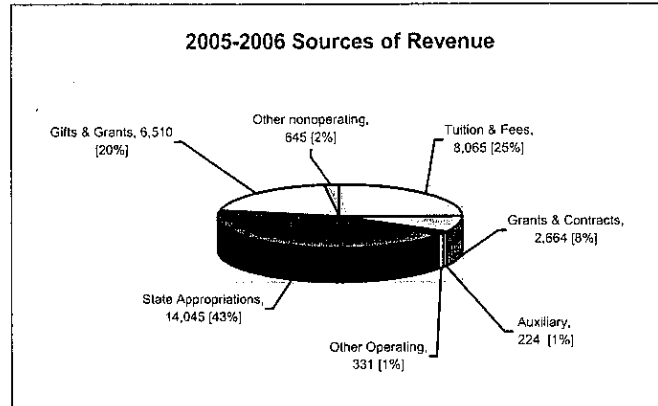
- All revenue source categories increased during FY 2006 except for governmental grants and contracts due to reduced awards of NSF grants.
- Capital assets increased in FY 2006 due to capitalized Banner software. The decrease in capital appropriations in FY 2005 was attributed to expenditures for equipment supplies and maintenance for the Cookeville building project.
- Operating revenues improved due to increases in enrollment and tuition and fee increases.
- The decrease in grants and contracts is attributed to a reduction in funding of NSF grants.
- Gifts in FY 2006 and FY 2005 decreased because of a reduction of in-kind gifts to the College.
- In FY 2006 and FY 2005, investment income has steadily increased due to rising interest rates.
- Other operating revenue in FY 2005 increased due to the reporting of technology center administrative fee as income.
- Other losses decreased in FY 2006 and FY 2005 due to investment of plant adjustments.

Nashville State Technical Community College Foundation			
Statement of Revenues, Expenses, and Changes in Net Assets (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Operating revenues:			
Gifts	\$73	\$202	\$142
Grants and contracts	5	39	53
Other	120	105	81
Total operating revenues	\$198	\$346	\$276
Operating expenses	\$307	\$140	\$113
Operating loss	(\$109)	\$206	\$163
Nonoperating revenues and expenses:			
Grants & contracts			
Investment income	\$15	\$4	\$3
Total nonoperating revenues and expenses	\$15	\$4	\$3
Income (loss) before other revenues, expenses, gains, or losses	(\$94)	\$210	\$166
Other revenues, expenses, gains, or losses:			
Additions to permanent endowments	\$39	\$15	
Total other revenues, expenses, gains, or losses	\$39	\$15	
Increase (decrease) in net assets	(\$55)	\$225	\$166
Net assets at beginning of year, as originally reported	660	435	269
Net assets at beginning of period, restated	\$660	\$435	\$269
Net assets at end of year	\$605	\$660	\$435

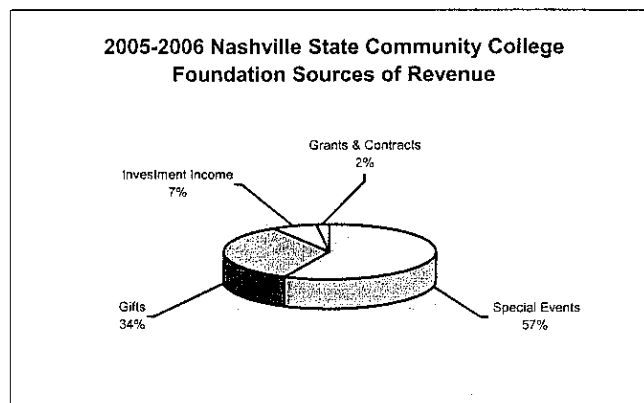
Revenues

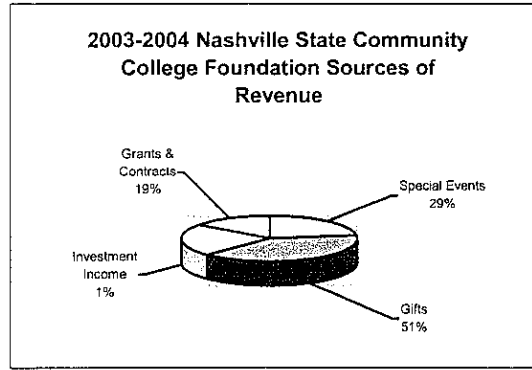
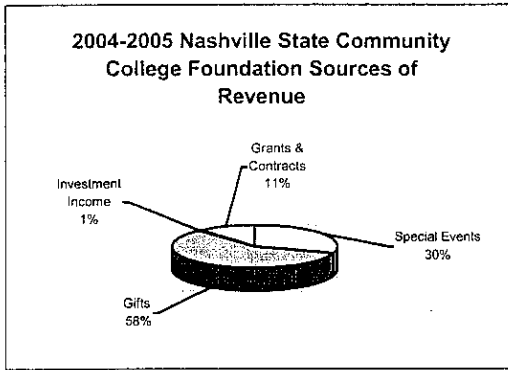
The following is a graphic illustration of revenues by source (both operating and nonoperating), which are used to fund the College's operating activities for the year ended June 30, 2006, the year ended June 30, 2005, and the year ended June 30, 2004 (amounts are presented in thousands of dollars).

College:



- In FY 2006, all revenues sources categories increased except for governmental grants and contracts which dropped only 2% within the overall revenue total.
- Bookstore revenue has remained stable at approximately 1% all three years.
- Increases in state appropriations, grants and contracts, and interest on capital asset-related debt contributed to the increase in non-operating revenues during FY 2006. Non-operating revenue increased in FY 2005 due to increases in the state appropriations and the grant and contracts areas.





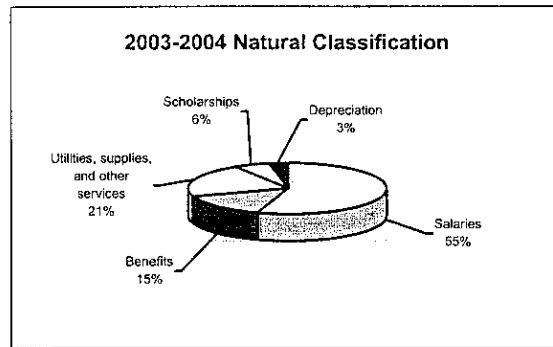
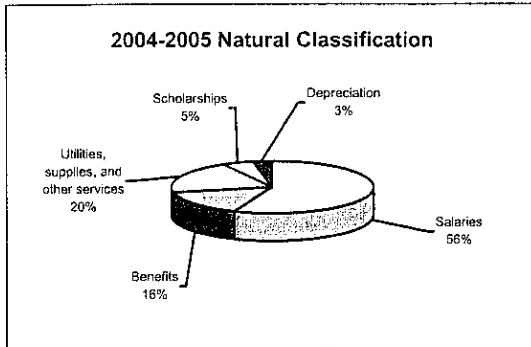
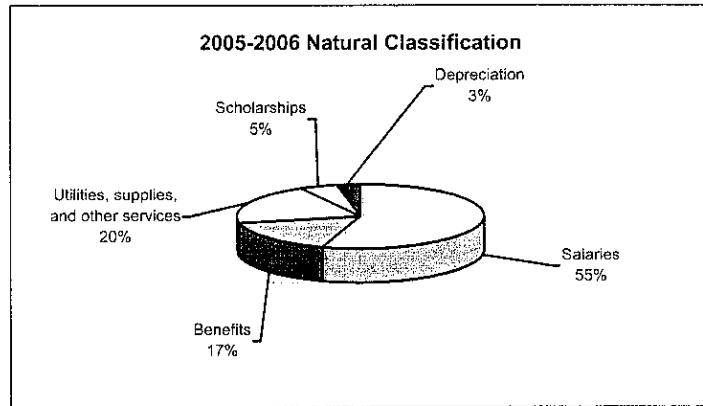
- In FY 2006, investment income increased due to better interest rates.
- Other operating revenues in FY 2006 and FY 2005 increased from special event income. In FY 06, the increase was \$15,206.66, and of that increase, \$13,670.00 was attributable to a photography auction held to benefit the O'Bryant Scholarship and the O'Bryant endowment.
- Grants and contracts income decreased from \$39,500.00 in FY 2005 to \$5,000.00 in FY 2006. The Foundation received a \$35,000.00 grant from EDS during FY 2005 that was non-recurring. Grants from TVA increased by \$500.00.
- Gifts decreased from \$202,105.45 in FY 2005 to \$72,992.67. In FY 2005, the Foundation received a non-recurring \$140,000 gift from the Oprah Winfrey Foundation. Other gifts increased by \$10,887.22, which represents a 17.53% increase over the prior year.
- In FY 2006 and FY 2005, operating expenses increased due to an increase in special event expenses and funds available for scholarships.
- In FY 2006, funds were received by the college Foundation for permanent endowments for faculty members.

Expenses

Operating expenses can be displayed in two formats, natural classification and program classification. Both formats are displayed below.

*Natural Classification
for the College*

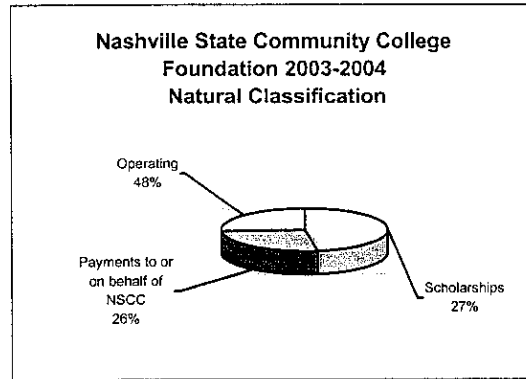
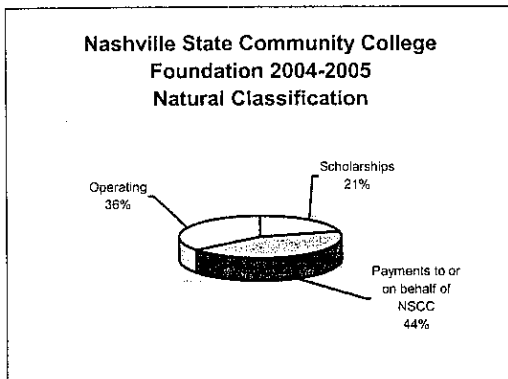
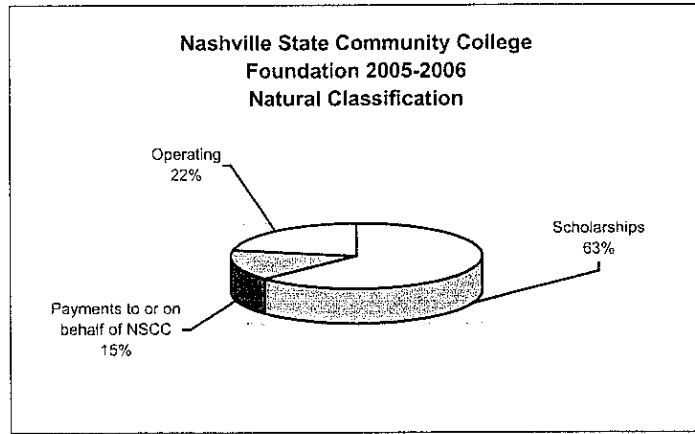
	2006	2005	2004
Salaries	\$17,091	\$16,183	\$15,076
Benefits	5,164	4,665	4,098
Utilities, supplies, and other services	6,142	5,909	5,764
Scholarships	1,580	1,541	1,631
Depreciation	1,085	790	882
TOTAL	\$31,062	\$29,088	\$27,451



- The largest expense all three years was salaries which accounts for slightly over half of all operating expenditures. A 3% across-the-board and 1% equity salary increases occurred during FY 2006. In FY 2005, a total of 4% across-the-board salary increase occurred. A mid-year health insurance premium increase also increased the cost of benefits in FY 2004.
- Benefits classification has increased only 1% each year for the past three years.
- The utilities, supplies, and other expenses classification includes such items as printing, utilities, classroom and office supplies, and maintenance costs. It has remained around 20% each year.
- Federal grants represent the largest component of the scholarship percentage.

*Natural Classification
for the Nashville State Community College Foundation*

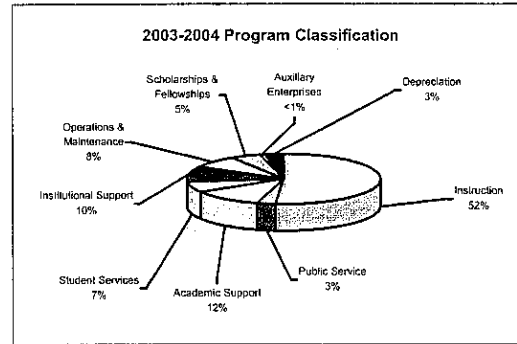
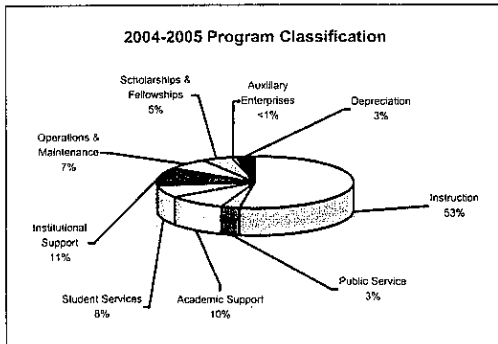
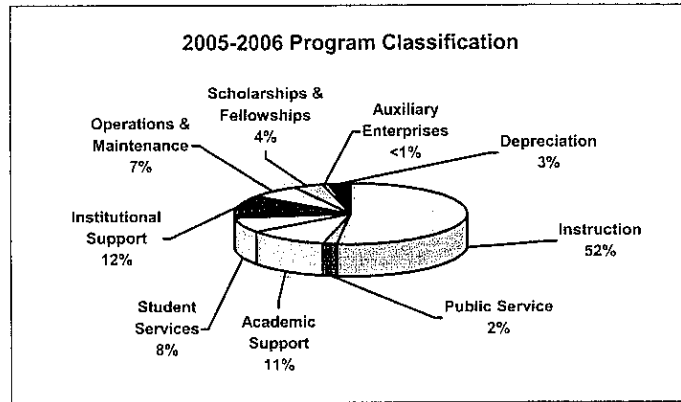
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Utilities, supplies, and other services	\$67	\$50	\$54
Scholarships	194	29	30
Payments to or on behalf of NSCC	46	61	29
TOTAL	\$307	\$140	\$113



- The increase in scholarships in FY 2006 was due primarily to a gift of \$140,000.00 received from the Oprah Winfrey Foundation in FY 2005. Other significant scholarship increases were \$11,750.00 in special event scholarships and \$4,734.00 in Ingram Scholarships.
- The difference in payments on behalf of the College is attributable to the net effect of a \$50,000.00 non-recurring nursing grant that was expended in FY 2005 and a \$34,459.79 grant from EDS for the middle college expended in FY 2006.
- The increase in utilities, supplies and other expenses is due primarily to increased special events expenses. Total expenses associated with special events increased \$17,044.85. Of this amount, \$15,264.18 represents in-kind expenses on donated items.

***Program Classification
for the College***

<u>Operating Expenses</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Instruction	\$16,064	\$15,807	\$14,270
Public Service	701	736	728
Academic Support	3,389	2,788	3,354
Student Services	2,598	2,310	1,953
Institutional Support	3,695	3,291	2,700
Operations & Maintenance	2,107	1,914	2,060
Scholarships & Fellowships	1,420	1,449	1,502
Auxiliary Enterprises	3	3	2
Depreciation	1,085	790	882
TOTAL	\$31,062	\$29,088	\$27,451



- The largest program expense is instruction. This represents instructional salaries, benefits, and supplies used in the classrooms and laboratories.
- General administrative expenses for the College include the program functions of student services, institutional support, academic support and public services, which combined totaled 33% for FY 2006 and 32% for FY 2005 and FY 2004.
- Operations and maintenance expenses include utilities, custodial supplies, and general maintenance support. This category has remained between 7-8% all three years. Utilities make up approximately half of this program area expenses.
- Auxiliary expense has represented 1% or less for the past three years. The College contracts the bookstore operation on a commission basis.

The Statement of Cash Flows

The Statement of Cash Flows provides information about cash receipts and cash payments during the year. This statement also assists users in assessing the College's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

Nashville State Technical Community College			
Statement of Cash Flows (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Cash provided (used) by:			
Operating activities	(\$18,490)	(\$17,049)	(\$15,213)
Noncapital financing activities	20,367	20,138	18,751
Capital and related financing activities	(1,847)	(1,441)	418
Investing activities	653	284	120
Net increase (decrease) in cash	\$683	\$1,932	\$4,076
Cash, beginning of year	18,369	16,437	12,361
Cash, end of year	\$19,052	\$18,369	\$16,437

- State appropriations and gifts and grants increases contributed to the increase in non-capital financing activities.
- Investing activities improved in FY 2005 and FY 2006 due to improved economic conditions and higher returns on investments.
- The primary source of the College's cash flow is the state appropriation which increased \$251,200.00 in FY 2006, \$759,451.84 in FY 2005, and \$276,722 in FY 2004.
- Over the past three years, the College has maintained a positive cash flow due to fee increases.

Capital Assets and Debt Administration

Capital Assets

Nashville State Technical Community College had \$18,339,924.93 invested in capital assets, net of accumulated depreciation of \$12,732,060.46 at June 30, 2006; \$16,598,448.77 invested in capital assets, net of accumulated depreciation of \$12,063,981.41 at June 30, 2005; and \$15,767,929.24 invested in capital assets, net of accumulated depreciation of \$11,533,584.45 at June 30, 2004. Depreciation charges totaled \$1,084,514.02, \$886,828.66, and 882,113.94 for the years ended June 30, 2006, June 30, 2005, and June 20, 2004, respectively. Details of these assets are shown below.

Nashville State Technical Community College			
Schedule of Capital Assets, Net of Depreciation (in thousands of dollars)			
	<u>2006</u>	<u>2005</u>	<u>2004</u>
Land	\$1,340	\$1,340	\$1,340
Land improvements & infrastructure	800	866	835
Buildings	11,471	12,058	12,646
Equipment	1,625	1,233	617
Library holdings	305	318	330
Software	555		
Projects in progress	2,245	783	

In FY 2006, projects in progress increased due to the capitalization of software. Equipment increases included upgrades of the campus telephone system, electronic signage, and digital lab equipment.

In FY 2005, an increase in improvements and infrastructure resulted from the addition of the Clement Building cooling tower. There were also increases in equipment from purchases of science lab equipment, firearms training simulator, computer equipment, security system equipment, and Banner hardware equipment. Projects in progress include the A-Building project and Banner software.

In FY 2004, an increase in improvements and infrastructure was from the addition of two boilers and a chiller. There were also increases in equipment from purchases of two tool room lathes, autoclave, robot upgrade system, and computer equipment.

Debt

The College had \$64,342.85, \$73,347.50, and \$81,947.93 in debt outstanding at June 30, 2006, June 30, 2005, and June 30, 2004, respectively. The table below summarizes these amounts by type of debt instrument.

<u>Description of Debt</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
TSSBA Bonds due 2012	\$64,342.85	\$73,347.50	\$81,947.93

The only debt issuance was TSSBA Bonds to finance a portion of the chiller replacement project. The state bond fund rating as of July 1, 2006, was rated as AA by Standard and Poor's. More detailed information about the College's long-term liabilities is presented in Note 6 of the financial statements.

Economic Factors That Will Affect the Future

The College is highly dependent upon state appropriations to offset operating losses. The THEC funding formula is used to establish appropriations recommendations each year. Despite the recent attention to the funding formula, long-term improvement of state appropriations remains unlikely due to the current disparity between funding recommendations and actual funding received.

Inadequate capital financing for space expansion to serve the College's growth population severely limits the College's ability to serve the citizens of the service delivery area. The most noticeable space deficiencies are in student services, faculty offices, and physical education, which all fall below 50% of the standard. The College has received funding for a student services/classroom building effective with the 2006-2007 capital budget. This will reduce, but not eliminate, the space deficits.

During the 2005-2006 fiscal year, the College has been undergoing a science lab renovation at a cost of approximately \$2,300,000 in order to bring the science labs into compliance with building codes and OSHA requirements.

The College has opened a satellite location that includes six classrooms in southeast Davidson County in the old TPS high school in order to provide services during the renovation period and further serve the citizens in the service delivery area. As enrollment growth continues with this campus, additional renovations will be necessary to make the second floor usable.

Requests for Information

This financial report is designed to provide a general overview of the institution's finances for all those with an interest in the College's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to Dr. George Van Allen, President, Nashville State Technical Community College, 120 White Bridge Road, Nashville, TN, 37209.

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
Unaudited Statement of Net Assets
June 30, 2006, with comparative figures at June 30, 2005

	Institution		Component Unit	
	FY 2006	FY 2005	FY 2006	FY 2005
ASSETS				
Current assets:				
Cash and cash equivalents (Note 2)	\$ 7,205,838.54	\$ 5,725,934.00	\$ 260,568.35	\$ 591,148.71
Short-term investments (Note 15)	-	-	335,847.49	62,428.27
Accounts, notes, and grants receivable (net) (Note 3)	1,373,761.66	1,322,779.68	50.00	-
Pledges receivable (net) (Note 15)	-	-	11,522.96	11,670.24
Prepaid expenses and deferred charges	58,393.03	113,884.08	-	-
Total current assets	<u>8,637,993.23</u>	<u>\$ 7,162,597.76</u>	<u>\$ 607,988.80</u>	<u>\$ 665,247.22</u>
Noncurrent assets:				
Cash and cash equivalents (Note 2)	11,962,688.39	8,741,239.82	-	-
Capital assets (net) (Note 4)	18,339,924.93	16,598,448.77	-	-
Total noncurrent assets	<u>30,302,613.32</u>	<u>25,339,688.59</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 38,940,606.55</u>	<u>\$ 32,502,286.35</u>	<u>\$ 607,988.80</u>	<u>\$ 665,247.22</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 827,229.67	\$ 888,919.97	\$ 2,946.16	\$ 5,000.00
Accrued liabilities	1,082,253.35	925,103.87	-	-
Deferred revenue	822,128.93	767,983.33	-	-
Compensated absences (Note 6)	157,574.77	343,411.04	-	-
Accrued interest payable	546.06	620.86	-	-
Long-term liabilities, current portion (Note 6)	9,450.38	9,004.65	-	-
Deposits held in custody for others	3,868,249.49	44,460.97	-	-
Other liabilities	122,373.90	104,565.18	-	-
Total current liabilities	<u>6,889,806.55</u>	<u>3,084,069.87</u>	<u>2,946.16</u>	<u>5,000.00</u>
Noncurrent liabilities:				
Compensated absences (Note 6)	554,039.51	337,615.04	-	-
Long-term liabilities (Note 6)	54,892.47	64,342.85	-	-
Total noncurrent liabilities	<u>608,931.98</u>	<u>401,957.89</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 7,498,738.53</u>	<u>\$ 3,486,027.76</u>	<u>\$ 2,946.16</u>	<u>\$ 5,000.00</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 18,275,582.08	\$ 16,525,101.27		
Restricted for:				
Nonexpendable:				
Scholarships and fellowships	4,739.67	4,739.67	\$ 209,295.87	\$ 163,896.29
Expendable:				
Scholarships and fellowships	5,918.23	5,310.70	152,646.16	236,762.10
Instructional department uses	151,267.35	126,486.02	955.00	34,959.79
Loans	-	1,008.90	-	-
Other	216,959.50	192,170.30	18,247.49	9,197.82
Unrestricted (Note 8)	12,787,401.19	12,161,441.73	223,898.12	215,431.22
Total net assets	<u>\$ 31,441,868.02</u>	<u>\$ 29,016,258.59</u>	<u>\$ 605,042.64</u>	<u>\$ 660,247.22</u>

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

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
Unaudited Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended June 30, 2006, with comparative figures for the year ended June 30, 2005

	<u>Institution</u>		<u>Component Unit</u>	
	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2005</u>
REVENUES				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of for the year ended June 30, 2006, and for the year ended June 30, 2005.)	\$ 5,539,409.86			
	<u>\$ 5,149,379.91</u>			
	\$ 8,064,536.01	\$ 7,371,489.71		
Gifts and contributions	-	-	\$ 72,992.67	\$ 202,105.45
Governmental grants and contracts	2,061,017.00	2,676,737.04	5,000.00	39,500.00
Non-governmental grants and contracts	602,622.70	562,166.10		
Sales and services of educational departments	26,364.35	19,802.56	-	-
Auxiliary enterprises:				
Bookstore (net of scholarship used as security for revenue bonds, see Note 6)	223,981.21	215,108.03	-	-
Other operating revenues	303,358.78	242,929.71	119,880.54	104,673.88
Total operating revenues	<u>\$ 11,281,880.05</u>	<u>\$ 11,088,233.15</u>	<u>\$ 197,873.21</u>	<u>\$ 346,279.33</u>
EXPENSES				
Operating Expenses				
Salaries and wages	\$ 17,090,914.03	\$ 16,182,598.89		
Benefits	5,163,874.56	4,665,250.68		
Utilities, supplies, and other services	6,141,587.27	5,909,113.64	\$ 66,720.33	\$ 50,391.40
Scholarships and fellowships	1,580,558.35	1,541,422.23	193,678.00	28,431.25
Depreciation expense	1,084,514.02	790,167.44	-	-
Payments to or on behalf of Nashville State Technical Community College Foundation	-	-	46,427.58	61,273.12
Total operating expenses	<u>31,061,448.23</u>	<u>29,088,552.88</u>	<u>306,825.91</u>	<u>140,095.77</u>
Operating income (loss)	<u>\$ (19,779,568.18)</u>	<u>\$ (18,000,319.73)</u>	<u>\$ (108,952.70)</u>	<u>\$ 206,183.56</u>
NONOPERATING REVENUES (EXPENSES)				
State appropriations	\$ 14,044,900.00	\$ 13,800,200.00		
Gifts, including from component units in FY 2006 and from component unit(s) to institution in FY 2006	\$ 46,427.58			
	<u>\$ 61,273.12</u>			
Grants and contracts	126,559.27	183,179.18		
Investment income	6,383,207.24	6,077,545.11		
Interest on capital asset-related debt	652,813.64	283,276.71	\$ 14,595.12	\$ 3,462.48
Other non-operating revenues/(expenses)	(3,522.82)	(3,880.47)	-	-
	<u>(3,000.53)</u>	<u>(8,600.43)</u>	-	-
Net nonoperating revenues	<u>\$ 21,200,956.80</u>	<u>\$ 20,331,720.10</u>	<u>\$ 14,595.12</u>	<u>\$ 3,462.48</u>
Income before other revenues, expenses gains, or losses	1,421,388.62	2,331,400.37	(94,357.58)	209,646.04
Capital appropriations	1,001,621.14	295,241.50	-	-
Additions to permanent endowments	-	-	39,153.00	15,450.00
Other capital	(754.06)	(94,217.44)	-	-
Total other revenues	<u>1,000,867.08</u>	<u>201,024.06</u>	<u>39,153.00</u>	<u>15,450.00</u>
Increase (decrease) in net assets	<u>\$ 2,422,255.70</u>	<u>\$ 2,532,424.43</u>	<u>\$ (55,204.58)</u>	<u>\$ 225,096.04</u>
NET ASSETS				
Net Assets -beginning of year	\$ 29,016,258.59	\$ 26,501,186.16	\$ 660,247.22	\$ 435,151.18
Prior period adjustment (Note 14)	3,353.73	(17,352.00)	-	-
Net Assets - end of year	<u>\$ 31,441,868.02</u>	<u>\$ 29,016,258.59</u>	<u>\$ 605,042.64</u>	<u>\$ 660,247.22</u>

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

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
Unaudited Statement of Cash Flows
for the Year Ended June 30, 2006, with comparative figures for the year ended June 30, 2005

	Institution	
	FY 2006	FY 2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 7,991,541.22	\$ 7,399,725.77
Grants and contracts	2,761,860.38	3,144,928.97
Sales and services of educational activities	26,364.35	19,802.56
Payments to suppliers and vendors	(5,989,752.57)	(5,748,774.16)
Payments to employees	(16,941,863.59)	(16,124,794.37)
Payments for benefits	(5,107,483.06)	(4,637,760.03)
Payments for scholarships and fellowships	(1,758,010.38)	(1,559,952.87)
Auxiliary enterprise charges:		
Bookstore	223,981.21	215,108.03
Other receipts (payments)	303,358.78	242,929.71
Net cash provided (used) by operating activities	\$ (18,490,003.66)	\$ (17,048,786.39)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
State appropriations	\$ 14,046,100.00	\$ 13,794,900.00
Gifts and grants received for other than capital or endowment purposes for FY 2006 and from (component unit) to the institution for FY 2005	\$ 46,427.58	
	\$ 61,273.12	
Federal student loan receipts	6,509,766.51	6,260,724.29
Federal student loan disbursements	8,075,223.14	7,304,320.61
Changes in deposits held for others	(8,075,223.14)	(7,304,320.61)
Other non-capital financing receipts (payments)	(194,837.55)	99,760.75
	6,004.12	(17,352.00)
Net cash provided (used) by non-capital financing activities	\$ 20,367,033.08	\$ 20,138,033.04
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital - state appropriation	\$ 1,001,621.14	\$ 295,241.50
Principal paid on capital debt and lease	(18,009.30)	(8,600.43)
Interest paid on capital debt and lease	(3,597.62)	(3,983.12)
Other capital and related financing receipts (payments)	(2,826,744.24)	(1,723,504.84)
Net cash provided (used) by capital and related financing activities	\$ (1,846,730.02)	\$ (1,440,846.89)
CASH FLOWS FROM INVESTING ACTIVITIES		
Income on investments	\$ 652,813.64	\$ 283,276.71
Net cash provided (used) by investing activities	\$ 652,813.64	\$ 283,276.71
Net increase (decrease) in cash and cash equivalents	683,113.04	1,931,676.47
Cash and cash equivalents - beginning of year	18,368,642.56	16,436,966.09
Cash and cash equivalents - end of year (Note 2)	\$ 19,051,755.60	\$ 18,368,642.56
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income/(loss)	\$ (19,779,568.18)	\$ (18,000,319.73)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	1,084,514.02	790,167.44
Change in assets and liabilities:		
Receivables, net	(52,181.98)	(57,826.90)
Prepaid/deferred items	29,867.69	(57,025.09)
Accounts payable	(43,570.58)	179,974.88
Accrued liabilities	88,423.61	61,249.18
Deferred revenues	118,667.75	(12,217.65)
Compensated absences	60,490.28	47,211.48
Other	3,353.73	-
Net cash provided (used) by operating activities	\$ (18,490,003.66)	\$ (17,048,786.39)

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

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
Standard Notes to the Financial Statements
June 30, 2006

1. Summary of Significant Accounting Policies

REPORTING ENTITY

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

BASIS OF PRESENTATION

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. This was followed in November 1999 by GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities* and in May 2002 by GASB Statement No 39, *Determining Whether Certain Organizations are Component Units*. The financial statement presentation required by GASB No. 34, No. 35 and No. 39 provides a comprehensive, entity-wide perspective of the College, including component units, assets, liabilities, net assets, revenues, expenses, changes in net assets, and cash flows.

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 interfund transactions have been eliminated.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). The College has the option of following private-sector guidance issued subsequent to November 30, 1989, subject to the above limitation. The College has elected not to follow private-sector guidance issued subsequent to November 30, 1989.

Amounts reported as operating revenues include: 1) tuition and fees, net of waivers and discounts, 2) federal, state, local and private grants and contracts, 3) sales and services of auxiliary enterprises, and 4) other sources of revenue. Operating expenses for the College include: 1) salaries and wages, 2) employee benefits, 3) scholarships and fellowships, 4) depreciation, and 5) utilities, supplies, and other services.

All other activity is nonoperating in nature. This activity includes: 1) state appropriations for operations, 2) investment income, 3) bond issuance costs, 4) interest on capital asset-related debt, and 5) gifts and non-exchange transactions.

When both restricted and unrestricted resources are available for use, generally it is the College's policy to use the restricted resources first.

COMPENSATED ABSENCES

The College's employees accrue annual leave at varying rates, depending upon length of service or classification. Some employees also earn compensatory time. The amount of these liabilities and their related benefits are reported in the Statement of Net Assets.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, library holdings, and software, are reported in the Statement of Net Assets at historical cost or at fair 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 software is set at \$100,000.

These assets, with the exception of land, are depreciated/amortized using the straight-line method over the estimated useful lives of the assets, which range from 5 to 40 years.

LWIA EQUIPMENT

Under a contract with the Tennessee Department of Labor and Workforce Development, the College is the administrative entity and grant recipient for the Local Workforce Investment Area in workforce investment area Numbers 8 and 9 of the State of Tennessee. The title to all the equipment purchased by Nashville State Technical Community College under the provisions of the Workforce Investment Act resides with the U.S. Government. Therefore, this equipment is not included in Nashville State Technical Community College's capital assets.

NET ASSETS

The College's net assets are classified as follows:

INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT: This 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.

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 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 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, and 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 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 assets. 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, 2006, cash consists of \$1,117,381.23 in bank accounts, \$900.00 of petty cash on hand, \$17,153,621.67 in the State of Tennessee Local Government Investment Pool administered by the State Treasurer, and \$896,624.03 in the LGIP Deposits - Capital Projects account. At June 30, 2005, cash consists of \$511,134.89 in bank accounts, \$1,600.00 of petty cash on hand, \$17,631,499.42 in the State of Tennessee Local Government Investment Pool administered by the State Treasurer, and \$224,408.25 in the LGIP 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 Tennessee Board of Regents 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 Tennessee Board of Regents releases any remaining funds.

3. Accounts, Notes, and Grants Receivable

Accounts receivable included the following:

	June 30, 2006	June 30, 2005
Student accounts receivable	\$846,993.26	\$714,961.63
Grants receivable	525,391.62	623,612.30
State appropriation receivable	46,300.00	47,500.00
Other receivables	71,076.78	37,605.75
Subtotal	\$1,489,761.66	1,423,679.68
Less allowance for doubtful account	(116,000.00)	(100,900.00)
Total	\$1,373,761.66	\$1,322,779.68

4. Capital Assets

Capital asset activity for the year ended June 30, 2006, was as follows:

	Beg Balance	Additions	Transfers	Reductions	End Balance
Land	\$1,340,140.00				\$1,340,140.00
Land improve & Infrastr	1,577,382.21				1,577,382.21
Buildings	21,069,601.86				21,069,601.86
Equipment	3,229,082.46	\$689,558.12		\$319,972.20	3,598,668.38
Library holdings	663,217.57	59,501.73		98,033.52	624,685.78
Software		53,406.00	\$563,276.59		616,682.59
Projects in progress	783,006.08	2,025,095.08	(\$563,276.59)		2,244,824.57
Total	\$28,662,430.18	\$2,827,560.93		\$418,005.72	\$31,071,985.39
Less accum dep:					
Land improve & Infrastr	\$710,727.77	\$66,611.97			\$777,339.74
Buildings	9,011,433.81	587,690.70			9,599,124.51
Equipment	1,996,286.44	296,271.15		\$318,401.45	1,974,156.14
Library holdings	345,533.39	72,271.94		98,033.52	319,771.81
Software		61,668.26			61,668.26
Total accum dep	\$12,063,981.41	\$1,084,514.02		\$416,434.97	\$12,732,060.46
Capital assets, net	\$16,598,448.77	\$1,743,046.91		\$1,570.75	\$18,339,924.93

Capital asset activity for the year ended June 30, 2005, was as follows:

	Beg Balance	Additions	Transfers	Reductions	End Balance
Land	\$1,340,140.00				\$1,340,140.00
Land improve & Infrastr	1,470,802.96	\$106,579.25			1,577,382.21
Buildings	21,069,601.86				21,069,601.86
Equipment	2,725,212.99	770,015.75		\$266,146.28	3,229,082.46
Library holdings	695,755.88	64,122.91		96,661.22	663,217.57
Projects in progress		783,006.08			783,006.08
Total	\$27,301,513.69	\$1,723,723.99		\$362,807.50	\$28,662,430.18
Less accum dep:					
Land improve & Infrastr	\$636,074.58	\$74,653.19			\$710,727.77
Buildings	8,423,743.11	587,690.70			9,011,433.81
Equipment	2,107,560.03	148,496.89		\$259,770.48	1,996,286.44
Library holdings	366,206.73	75,987.88		96,661.22	345,533.39
Total accum dep	\$11,533,584.45	\$886,828.66		\$356,431.70	\$12,063,981.41
Capital assets, net	\$15,767,929.24	\$836,895.33		\$6,375.80	\$16,598,448.77

5. Capital Leases

The College has a capital lease agreement with the State of Tennessee for 13,000 square feet of the Old High School Building, 1162 Foster Avenue, Nashville, TN 37243. This agreement has beginning and ending dates ranging from September 1, 2005 indefinitely or until terminated by either party upon at least one hundred eighty (180) days written notice prior to the date when such termination becomes effective.

Construction in Progress

At June 30, 2006, outstanding commitments under construction contracts totaled \$297,002.62 for the campus energy- saving project of which \$40,029.00 will be funded by future state capital outlay appropriations.

6. Long-term Liabilities

Long term liability activity for the year ended June 30, 2006, was as follows:

	Beg Balance	Additions	Reductions	End Balance	Curr Portion
Payables:					
Bonds	\$73,347.50		\$9,004.65	\$64,342.85	\$9,450.38
Subtotal	\$73,347.50		\$9,004.65	\$64,342.85	\$9,450.38
Other Liabilities					
Comp Absences	\$655,874.07	\$495,279.17	\$439,538.96	\$711,614.28	\$157,574.77
Subtotal	\$655,874.07	\$495,279.17	\$439,538.96	\$711,614.28	\$157,574.77
Total Long-term Liabilities	\$729,221.57	\$495,279.17	\$448,543.61	\$775,957.13	\$167,025.15

Long term liability activity for the year ended June 30, 2005, was as follows:

	Beg Balance	Additions	Reductions	End Balance	Curr Portion
Payables:					
Bonds	\$81,947.93		\$8,600.43	\$73,347.50	\$9,004.65
Subtotal	\$81,947.93		\$8,600.43	\$73,347.50	\$9,004.65
Other Liabilities					
Comp Absences	\$574,884.62	\$526,244.62	\$420,103.16	\$681,026.08	\$343,411.04
Subtotal	\$574,884.62	\$526,244.62	\$420,103.16	\$681,026.08	\$343,411.04
Total long-term Liabilities	\$656,832.55	\$526,244.62	\$428,703.59	\$754,373.58	\$352,415.69

Bonds Payable

Bond issues, with interest rates ranging from 4.5% to 5% for Tennessee State School Bond Authority bonds, are due serially to May 1, 2012 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. The bonded indebtedness with the Tennessee State School Bond Authority reported on the Statement of Net Assets is shown net of assets held by the authority in the debt service reserve and net of unexpended loan proceeds. The reserve amount was \$76,024.57 at June 30, 2006, and \$88,626.84 at June 30, 2005. Unexpended debt proceeds were \$11,681.72 at June 30, 2006 and \$15,279.34 at June 30, 2005.

For the Year(s) Ending June 30	Principal	Interest	Total
2007	\$9,450.38	\$3,169.90	\$12,620.28
2008	9,894.55	2,744.62	12,639.17
2009	10,409.06	2,249.90	12,658.96
2010	10,950.33	1,729.44	12,679.77
2011	11,519.75	1,181.92	12,701.67
2012	12,118.78	605.94	12,724.72
Total	\$64,342.85	\$11,681.72	\$76,024.57

7. Endowments

If a donor has not provided specific instructions to Nashville State Technical Community College, state law permits the College to authorize for expenditure the earnings of the investments of endowment funds. When administering its power to spend these earnings, the College is required to consider the College's long-term and short-term needs, present and anticipated financial requirements, expected return on its investments, price-level trends, and general economic conditions. Any earnings spent are 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 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, 2006, net appreciation of \$156.31 is available to be spent, of which \$156.31 is included in restricted net assets expendable for scholarships and fellowships. At June 30, 2005, net appreciation of \$98.13 was available to be spent, of which \$98.13 was included in restricted net assets expendable for scholarships and fellowships.

8. Unrestricted Net Assets

Unrestricted net assets include funds that have been designated or reserved for specific purposes. These purposes include the following:

	FY 2006	FY 2005
Working capital	\$617,302.33	\$614,111.22
Encumbrances	220,779.55	349,154.33
Auxiliaries	9,500.00	9,500.00
Renewal and replacement of equipment	6,245,125.76	6,283,609.74
Debt retirement	31,513.33	27,840.80
Unreserved/undesignated balance	5,663,180.22	4,877,225.64
Total	\$12,787,401.19	\$12,161,441.73

9. Pension Plans

Defined Benefit Plan

Plan Description - The College contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement, death, and disability benefits as well as annual cost-of-living adjustments to plan members and their beneficiaries. Title 8, Chapters 34-37, Tennessee Code Annotated, establishes benefit provisions. State statutes are amended by the Tennessee General Assembly.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0230 or by calling (615) 741-8202, extension 139.

Funding Policy - Plan members are noncontributory. The College is required to contribute at an actuarially determined rate. The current rate is 10.31% of annual covered payroll. The contribution requirements of the College are established and may be amended by the TCRS Board of Trustees. The College's contributions to TCRS for the years ending June 30, 2006, 2005, and 2004 were \$826,279.71, \$776,333.28, and \$515,155.30, respectively, equal to the required contributions for each year.

Defined Contribution Plans

Plan Description – The College contributes to three defined contribution plans: Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF), Aetna Life Insurance and Annuity Company, and Variable Annuity Life Insurance Company (VALIC). These plans are administered by the Tennessee Department of the Treasury. Each plan provides retirement benefits to faculty and staff who are exempt from the overtime provisions of the Fair Labor Standards Act and who waive membership in the TCRS. Benefits depend solely on amounts contributed to the plan plus investment earnings. Plan provisions are established by state statute in Title 8, Chapter 35, Part 4, Tennessee Code Annotated. State statutes are amended by the Tennessee General Assembly.

Funding Policy – Plan members are noncontributory. The College contributes an amount equal to 10% of the employee's base salary up to the social security wage base and 11% above the social security wage base. Contribution requirements are established and amended by state statute. The contribution made by the College to the plans for the year ended June 30, 2006, was \$593,969.15 and for the year ended June 30, 2005, was \$558,374.54. Contributions met the requirements for each year.

10. Other Post-Employment Benefits

The State of Tennessee administers a group health insurance program that provides post-employment health insurance benefits to eligible College retirees. This benefit is provided by and administered by the State of Tennessee. The College assumes no liability for retiree health care programs. Information related to this plan is available at the statewide level in the Tennessee Comprehensive Annual Financial Report. That report may be obtained by writing to the Tennessee Department of Finance and Administration, Division of Accounts, 14th Floor William R. Snodgrass Tennessee Tower, 312 Eighth Avenue North, Nashville, Tennessee 37243-0298, or by calling (615) 741-2140.

11. Insurance-Related Activities

It is the policy of the state not to purchase commercial insurance for the risks of losses for general liability, automobile liability, professional malpractice, and workers' compensation. 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. The state purchases commercial insurance for real property, flood, earthquake, and builder's risk losses and surety bond coverage on the state's officials and employees. The Risk Management Fund is also responsible for claims for damages to state owned property up to the amount of the property insurance aggregate deductible amount. The insurance policy deductibles vary from \$25,000 per occurrence, depending on the type of coverage, to an aggregate of \$7.5 million.

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's 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, 2006, and June 30, 2005, are presented in the Tennessee Comprehensive Annual Financial Report. That report may be obtained by writing to the Tennessee Department of Finance and Administration, Division of Accounts, 14th Floor William R. Snodgrass Tennessee Tower, 312 Eighth Avenue North, Nashville, Tennessee 37243-0298, or by calling (615) 741-2140. 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. At June 30, 2005, the Risk Management fund held \$14.4 million in cash and cash equivalents designated for payment of claims. The amount of cash and cash equivalents designated for payment of claims by the Risk Management Fund at June 30, 2006, was not available.

At June 30, 2006, the scheduled coverage for the College was \$36,920,700.00 for buildings and \$20,130,500.00 for contents. At June 30, 2005, the scheduled coverage for the College was \$32,871,000.00 for buildings and \$18,143,300.00 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 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.

12. 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 \$4,958,456.95 at June 30, 2006, and \$4,605,736.13 at June 30, 2005.

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 \$0.00 and \$60,364.50 respectively for the year ended June 30, 2006. Comparative amounts for the year ended June 30, 2005, were \$0.00 and \$58,068.05, respectively. The following is a schedule by years of future minimum rental payments required under noncancelable operating leases that have initial or remaining lease terms in excess of one year as of June 30, 2006:

Year ending June 30:	
2007	\$2,793.00
Total minimum payments required	\$2,793.00

Construction in Progress

At June 30, 2006, outstanding commitments under construction contracts totaled \$297,002.62 for an energy-saving project of which \$40,029.00 will be funded by future state capital outlay appropriations.

Contracts - In December 2004, the Tennessee Board of Regents system entered into a contract with SundgardSCT for the purchase of a comprehensive enterprise resource planning system. The contract includes a multi-year phase-in of administrative software for financial, human resource, and student systems. The College's outstanding liability for this contract is estimated as \$70,731.70 at June 30, 2006.

13. Natural Classifications with Functional Classifications

The College's operating expenses by functional classification for the year ended June 30, 2006, are as follows:

Functional Classification	Natural Classification					Total
	Salaries	Benefits	Other Operating	Scholarship	Depreciation	
Instruction	\$9,957,553.14	\$2,841,422.63	\$3,094,010.23	\$170,574.66		\$16,063,560.66
Public Service	399,190.51	106,910.95	194,663.09			700,764.55
Acad Support	2,941,182.56	828,615.96	(421,014.98)	40,239.00		3,389,022.54
Stud Services	1,292,267.73	483,236.45	802,648.35	19,230.63		2,597,383.16
Instit Support	1,993,031.04	711,009.73	986,392.00	4,734.00		3,695,166.77
M&O	507,689.05	192,678.84	1,406,935.69			2,107,303.58
Schoi & Fellows			74,489.00	1,345,780.06		1,420,269.06
Auxiliary			3,463.89			3,463.89
Depreciation					\$1,084,514.02	\$1,084,514.02
Total Expenses	\$17,090,914.03	\$5,163,874.56	\$6,141,587.27	\$1,580,558.35	\$1,084,514.02	\$31,061,448.23

The College's operating expenses by functional classification for the year ended June 30, 2005, are as follows:

Functional Classification	Natural Classification					Total
	Salaries	Benefits	Other Operating	Scholarship	Depreciation	
Instruction	\$9,622,447.73	\$2,545,937.59	\$3,511,210.61	\$127,862.28		\$15,807,458.21
Public Service	434,369.55	116,084.44	185,244.17			735,698.16
Acad Support	2,519,250.36	718,093.99	(479,385.63)	30,478.00		2,788,436.72
Stud Services	1,215,812.99	466,490.75	604,568.66	22,749.76		2,309,622.16
Instit Support	1,900,350.78	646,959.62	733,752.11	10,067.32		3,291,129.83
M&O	490,367.48	171,684.29	1,252,303.33			1,914,355.10
Schoi & Fellows			98,428.89	1,350,264.87		1,448,693.76
Auxiliary			2,991.50			2,991.50
Depreciation					\$790,167.44	\$790,167.44
Total Expenses	\$16,182,598.89	\$4,665,250.68	\$5,909,113.64	\$1,541,422.23	\$790,167.44	\$29,088,552.88

14. Prior Period Adjustments

RESTRICTED ADDITION	\$49,633.47	Receipt to correct funds transferred from Unrestricted
UNRESTRICTED ADDITIONS	\$3,795.07 \$660.00	Payroll correction Fees correction
UNRESTRICTED DEDUCTION	\$49,633.47	Receipt to correct funds transferred to Restricted
UNRESTRICTED DEDUCTION	\$441.34	Payroll correction
RESTRICTED DEDUCTION	\$660.00	Fees correction

15. Component Unit

The Nashville State Technical Community College Foundation is a legally separate, tax-exempt organization supporting Nashville State Technical 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 29-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, 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.

During the year ended June 30, 2006, the Foundation made distributions of \$46,427.58 to or on behalf of Nashville State Technical Community College for both restricted and unrestricted purposes. During the year ended June 30, 2005, the Foundation made distributions of \$61,273.12 to or on behalf of the College for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from Debra Bauer, Nashville State Technical Community College, 120 White Bridge Road, Nashville, TN, 37209.

The Foundation is a nonprofit organization that reports under FASB standards, including FASB Statement No. 117, Financial Reporting for Not-for-Profit Organizations. 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.

Cash and Cash Equivalents – Cash and cash equivalents consist of demand deposit accounts, certificates of deposit, and money market funds, and the local government investment pool. Total cash and cash equivalents at June 30, 2006 were \$260,816.67. Total cash and cash equivalents at June 30, 2005 were \$591,298.71. The bank balances of deposits as of June 30, 2006 were \$109,217.32. The balance was insured by FDIC for \$100,000.00 At June 30, 2006, \$9,217.32 of that balance was not insured or collateralized. The bank balances of deposits as of June 30, 2005 were \$50,217.21 and was insured by the FDIC. The Local Government Investment Pool balance of deposits as of June 30, 2006 was \$36,371.86. The Local Government Investment Pool balances of deposits as of June 30, 2005, were \$541,081.50. The balances of deposits in cash accounts with Charles Schwab at June 30, 2006 was \$187.12. The balance of deposits in money market sweep accounts with Charles Schwab at June 30, 2006 was \$115,040.37. The cash and money market funds on deposit with Charles Schwab are not insured or collateralized.

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, 2006		June 30, 2005	
	Cost	Market Value	Cost	Market Value
Mutual funds	\$338,081.83	\$335,847.49	\$58,198.77	\$62,428.27
Total	\$338,081.83	\$335,847.49	\$58,198.77	\$62,428.27

Pledges Receivable - Pledges receivable are summarized below net of the allowance for doubtful accounts:

	June 30, 2006	June 30, 2005
Current pledges	\$11,522.96	\$11,670.24
Subtotal	\$11,522.96	\$11,670.24
Less discounts to net present value	(0.00)	(0.00)
Total pledges receivable, net	\$11,522.96	\$11,670.24

Endowments - If a donor has not provided specific instructions to Nashville State Technical Community College Foundation, state law permits the Foundation 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 foundation is required to consider the foundation's 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 Foundation 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 Foundation, for endowments with a base of more than \$10,000.00, 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. On endowments with a balance of less than \$10,000, all earnings are added to the base endowment. At June 30, 2006, net appreciation of \$2,730.17 is available to be spent, of which \$2,730.17 is included in restricted net assets expendable for scholarships and fellowships. At June 30, 2005, net appreciation of \$931.35 was available to be spent, of which \$931.35 was included in restricted net assets expendable for scholarships.

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE FOUNDATION
Supplementary Information
Unaudited Statement of Cash Flows - Component Unit
for the Year Ended June 30, 2006, with comparative figures for the year ended June 30, 2005

	<u>Component Unit</u>	
	<u>FY 2006</u>	<u>FY 2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Gifts and contributions	\$ 73,089.95	\$ 240,353.57
Grants and contracts	5,000.00	
Payments to suppliers and vendors	(68,774.17)	(44,711.25)
Payments for scholarships and fellowships	(193,678.00)	(28,431.25)
Payments to Nashville State Community College	(46,427.58)	(61,273.12)
Other receipts (payments)	119,880.54	102,173.88
Net cash provided (used) by operating activities	<u>\$ (110,909.26)</u>	<u>\$ 208,111.83</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Private gifts for endowment purposes	\$ 39,153.00	\$ 15,450.00
Net cash provided (used) by non-capital financing activities	<u>\$ 39,153.00</u>	<u>\$ 15,450.00</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Other capital and related financing receipts (payments)	\$ -	\$ -
Net cash provided (used) by capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	\$ 63,844.69	\$ -
Income on investments	15,413.04	2,374.55
Purchase of investments	(338,081.83)	-
Net cash provided (used) by investing activities	<u>\$ (258,824.10)</u>	<u>\$ 2,374.55</u>
Net increase (decrease) in cash and cash equivalents	(330,580.36)	225,936.38
Cash and cash equivalents - beginning of year	591,148.71	365,212.33
Cash and cash equivalents - end of year (Note 15)	<u>\$ 260,568.35</u>	<u>\$ 591,148.71</u>
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income/(loss)	\$ (108,952.70)	\$ 206,183.56
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
Receivables, net	97.28	(1,251.88)
Prepaid/deferred items	-	1,500.00
Accounts payable	(2,053.84)	4,180.15
Deferred revenues	-	(2,500.00)
Net cash provided (used) by operating activities	<u>\$ (110,909.26)</u>	<u>\$ 208,111.83</u>

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
SCHEDULE OF BALANCES IN UNRESTRICTED CURRENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
 With Comparative Figures as of June 30, 2005
 Unaudited

	Current Year	Prior Year
ALLOCATED		
Non-discretionary Allocations		
Allocation for Working Capital:		
Petty Cash	\$ 900.00	\$ 1,600.00
Accounts Receivable	766,004.22	720,657.72
Accrued Benefits on Faculty Salaries	(236,207.35)	(188,507.68)
Prepaid Expenditures	65,485.75	59,822.95
Total Allocation for Working Capital	\$ 596,182.62	\$ 593,572.99
Allocation for Encumbrances	\$ 211,104.55	\$ 349,154.33
Allocation for Designated Appropriations	1,113.91	1,250.22
Allocation for Technology Fees	81,775.47	-
Total Allocations	\$ 293,993.93	\$ 350,404.55
Total Non-discretionary Allocations	\$ 890,176.55	\$ 943,977.54
Discretionary Allocations		
Special Allocations	\$ 1,429,400.00	\$ 1,359,700.00
Total Discretionary Allocations	\$ 1,429,400.00	\$ 1,359,700.00
Allocation for Compensated Absences	\$ (681,623.91)	\$ (625,751.19)
UNALLOCATED		
Total Unrestricted Educational and General Funds	\$ 27,724.04	\$ 8,850.04
	\$ 1,665,676.68	\$ 1,686,776.39

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
SCHEDULE OF BALANCES IN AUXILIARY ENTERPRISES FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
 With Comparative Figures as of June 30, 2005
 Unaudited

	Current Year	Prior Year
ALLOCATED		
Non-discretionary Allocations		
Allocation for working capital:		
Accounts Receivable	\$ 21,119.91	\$ 20,538.23
Total Allocation for working capital	\$ 21,119.91	\$ 20,538.23
Total Non-discretionary Allocations	\$ 21,119.91	\$ 20,538.23
Discretionary Allocations		
Allocation for contingencies	\$ 9,500.00	\$ 9,000.00
Total Discretionary Allocations	\$ 9,500.00	\$ 9,000.00
UNALLOCATED		
Total Auxiliary Enterprises Fund Balances	\$ 1,165,468.82	\$ 752,807.65

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS REVENUE
 For the Year Ended June 30, 2006
 Unaudited

Schedule 2

	Unrestricted	Restricted	Total	Prior Year Total
TUITION AND FEES				
Maintenance Fees	\$ 11,054,944.71		\$ 11,054,944.71	\$ 10,003,158.44
Senior Disabled Contracts	(74,199.50)		(74,199.50)	(81,945.50)
RODP Maintenance	453,481.50		453,481.50	415,509.50
ROCE Maintenance	3,302.00		3,302.00	1,540.00
Out-of-State Fees	493,853.25		493,853.25	495,531.25
RODP Out-of-State Fees	10,828.75		10,828.75	-
CEU Student Fees	22,404.00		22,404.00	19,375.00
TPT-Computer Open	30,243.50		30,243.50	60,745.83
Com Ed-Public Service CEU	15,087.57		15,087.57	13,834.00
TPT-Reg CEU	44,370.00		44,370.00	53,693.00
Application Fees	34,683.00		34,683.00	36,119.00
Late Fees	68,750.00		68,750.00	54,990.00
Graduation Fees	17,910.00		17,910.00	17,800.00
Returned Check Fees	3,255.00		3,255.00	2,840.00
ID Replacement Fees	190.00		190.00	508.00
Special Exam Fees	3,575.00		3,575.00	3,350.00
Locker Fees	162.00		162.00	144.00
Library Fines	115.90		115.90	754.19
Library Fines-Video	1,125.00		1,125.00	3,252.65
Transcript Fees	2,736.50		2,736.50	1,828.00
Technology Access Fees	1,197,868.68		1,197,868.68	1,179,901.61
Deferred Payment Service Fees	19,435.00		19,435.00	19,730.00
Deferred Payment Late Fees	56,152.00		56,152.00	61,175.00
ROCP Online Fees	97,080.50		97,080.50	90,869.00
ROCE Online Fees	600.00		600.00	1,540.00
TOTAL TUITION AND FEES	\$ 13,557,954.36	\$ -	\$ 13,557,954.36	\$ 12,456,242.97
APPROPRIATIONS				
State Appropriations	\$ 13,910,400.00	\$ 134,500.00	\$ 14,044,900.00	\$ 13,800,200.00
TOTAL APPROPRIATIONS	\$ 13,910,400.00	\$ 134,500.00	\$ 14,044,900.00	\$ 13,800,200.00
GOVERNMENT GRANTS & CONTRACTS				
Federal	\$ 71,473.19	\$ 6,810,679.21	\$ 6,882,152.40	\$ 7,231,433.57
Federal Contracts-TPT	39,465.00		39,465.00	-
State	110,370.68	1,536,729.31	1,647,099.99	1,693,501.95
Local	15,000.00		15,000.00	60,504.00
Local Contracts-WFTC	7,820.00		7,820.00	-
Local Contracts-TPT	8,026.40		8,026.40	-
TOTAL GOVERNMENT GRANTS & CONTRACTS	\$ 252,155.27	\$ 8,347,408.52	\$ 8,599,563.79	\$ 8,985,439.52

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS REVENUE
 For the Year Ended June 30, 2006
 Unaudited

Schedule 2

	Unrestricted	Restricted	Total	Prior Year Total
PRIVATE GIFTS, GRANTS, & CONTRACTS				
In-kind Gifts	\$ 22,422.74		\$ 22,422.74	\$ 10,652.92
Private Grants/Contracts	12,220.94	\$ 972,430.88	984,651.82	76,444.68
Private Grants/Contracts-CED	7,780.00		7,780.00	5,415.00
Private Company Contracts-WFTC	214,881.51		214,881.51	237,875.67
Private Contracts-TPP	171,358.00		171,358.00	110,994.80
PRIVATE GIFTS, GRANTS, & CONTRACTS	\$ 428,663.19	\$ 972,430.88	\$ 1,401,094.07	\$ 441,383.07
SALES AND SERVICES OF EDUCATIONAL ACTIVITIES				
	\$ 26,364.35	-	\$ 26,364.35	\$ 19,802.56
OTHER SOURCES				
Interest on Invested Funds	\$ 460,487.50		\$ 460,487.50	\$ 234,101.11
Interest FANB	8,778.62		8,778.62	4,077.43
Int. Inc.-Unre. Donations	966.17		966.17	208.29
Endowment Income		\$ 195.00	195.00	98.13
Littering Fines	110.00		110.00	-
Parking Permits	78,340.00		78,340.00	80,640.00
Traffic and Parking Fines	17,970.00		17,970.00	16,660.00
Rental of Facilities	8,948.13		8,948.13	7,040.00
Rental of Facilities-Cookeville	14,850.00		14,850.00	14,675.00
Compass Test			0.00	44.00
Independent Study Fee	3,085.00		3,085.00	1,360.00
Other	45,375.59	12,226.23	57,601.82	7,979.34
Personal Telephone Calls	212.95		212.95	185.25
Collection Costs	25,067.11		25,067.11	6,666.12
TTC Admin Service Fee	109,400.00		109,400.00	107,800.00
TOTAL OTHER SOURCES	\$ 773,591.07	\$ 12,421.23	\$ 786,012.30	\$ 481,534.67
TOTAL AUXILIARY ENTERPRISES REVENUES				
	\$ 223,981.21	-	\$ 223,981.21	\$ 215,108.13
TOTAL REVENUES	\$ 29,173,109.45	\$ 9,466,760.63	\$ 38,639,870.08	\$ 36,399,710.92

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	EXPENDITURES BY PURPOSE					
	Unrestricted	Restricted	Total	Personal Services	Supplies & Expenses	Equipment & Capital Outlay
EDUCATION AND GENERAL VOCATIONAL TECHNICAL INSTRUCTION						
GENERAL STUDIES						
Communications RODP	\$ 3,764.99		\$ 3,764.99	\$ 3,764.99		
RODP English	70,810.60		70,810.60	71,810.60	(1,000.00)	
Video Adm-Cen. Acad.	23,904.31		23,904.31	23,904.31		
Arts & Sciences Copy Machine	3,992.40		3,992.40	3,992.40		
Dual Enrollment-English	16,517.14		16,517.14	13,224.83	3,292.31	
Personnel Search	5,860.00		5,860.00		5,860.00	
Unemployment	1,468.84		1,468.84	1,468.84		
English	1,246,924.71		1,246,924.71	1,227,448.66	19,476.05	
English Video	33,036.37		33,036.37	32,538.73	497.64	
Mathematics	79,455.54		79,455.54	79,455.54		
Math Video	1,052,314.08		1,052,314.08	1,044,225.71	8,088.37	
Dual Enrollment-Math	6,270.35		6,270.35	6,270.35		
Math Web	16,947.88		16,947.88	14,139.04	2,808.84	
Physics	11,794.10		11,794.10	11,794.10		
Social Sciences	203,865.62		203,865.62	199,367.70	4,497.92	
Social Sciences Video	745,167.97		745,167.97	728,418.44	18,749.53	
Social Science Web	48,306.73		48,306.73	21,163.17	12,530.24	
Dual Enrollment-Social Science	4,303.85		4,303.85	2,938.85	1,365.00	
Social Science RODP	36,979.20		36,979.20	35,969.05	1,010.15	
Biology	352,404.41		352,404.41	322,669.58	29,734.83	
Biology Video	16,575.01		16,575.01	12,307.69	4,267.32	
Biology Web	23,608.37		23,608.37	23,608.37		
General Academic/COO	3,216.07		3,216.07	3,216.07		
Middle College-General Acad	394.19		394.19	394.19		
NST Online	110,459.25		110,459.25	110,415.21	44.04	
Chemistry	100,593.89		100,593.89	98,999.85	11,594.04	
Chemistry-Video	1,615.26		1,615.26		1,615.26	
Chemistry-Humphreys Co.	449.03		449.03	449.03		
Instructional Equipment	2,791.97		2,791.97	2,791.97		
Communications	32,070.59		32,070.59	32,070.59		
Computer Serv. Alloc.	420,602.96		420,602.96	420,602.96		
General Academic WS	4,210.65		4,210.65	4,210.65		
Work Scholarship	16,500.38		16,500.38		16,500.38	
Dependant Fee Waiver	1,163.25		1,163.25	1,163.25		
Employee Fee Waivers	862.00		862.00	862.00		
Liability Insurance	25,837.14		25,837.14	25,837.14		
Dual Enrollment	631.29		631.29	631.29		
Personnel Search	10,557.33		10,557.33	10,557.33		
Unemployment	3,551.96		3,551.96	3,551.96		
Horticulture	66,873.57		66,873.57	59,207.87	7,665.70	
Surgical Technology	331,006.45		331,006.45	304,354.39	26,652.06	
Nursing	15,477.96		15,477.96	15,477.96		
Occupational Therapy	229,434.92		229,434.92	209,752.73	19,682.19	
Special Courses-Rel	97,217.61		97,217.61	97,181.76	35.85	
Police Science	237,266.26		237,266.26	220,161.41	17,104.85	
Early Childhood Education	371,276.78		371,276.78	341,264.71	30,012.07	
Early Childhood RODP	7,112.57		7,112.57	7,112.57		
Early Childhood NSCC	30,088.33		30,088.33	28,478.18	1,610.15	
Surgical Assistant	61,291.48		61,291.48	53,533.70	7,757.78	
Sign Language/Physical	6.63		6.63		6.63	
Social Services/Social Work	12.00		12.00		12.00	
University of Tennessee	\$ 4,279.16		\$ 4,279.16	4,234.16		
General Academic WS	12,272.94		12,272.94	12,272.94		
Tetrahedra	40.20		40.20		40.00	
HCA Nursing Program	2,055.50		2,055.50		40.20	
TOTAL GENERAL STUDIES	\$ 6,220,537.65	\$ 18,647.80	\$ 6,239,185.45	\$ 5,469,552.62	\$ 769,632.83	\$ -

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2006
Unaudited

Schedule 3

	BUSINESS SCIENCE TECHNOLOGY		EXPENDITURES BY PURPOSE	
	Unrestricted	Restricted	Personal Services	Supplies & Expenses Equipment & Capital Outlay
Copy Machine Alloc	\$ (3,679.63)		\$ 677,576.41	\$ (3,679.63)
Computer Info System	693,755.43		16,179.02	16,179.02
Computer Lab Replace	16,261.49		31,306.12	16,261.49
Bus Tech Help Desk	32,405.15		1,307.95	1,099.03
CIS Web	1,307.95		7,758.90	(1,000.00)
CIS RODP	7,758.90		428,622.13	22,214.38
Computer Accounting	450,836.51		26,658.04	3,311.73
Accounting Web	29,969.77		24,144.12	360.16
Accounting RODP	24,504.28		361,355.02	16,952.00
Communication Tech	378,307.02		286,199.29	5,480.89
Office Administration	291,680.18		28,453.24	4,293.74
OAD Web	32,746.98		20,954.06	20,954.06
Quick Copy Services	20,954.06		338,916.69	20,843.36
Visual Communication	338,916.69		(28,625.01)	(28,625.01)
In-House Printing	(28,625.01)		4,151.54	
Visual Corn Web	4,151.54		4,263.90	
Visual Corn RODP	4,263.90		178,982.14	31,600.07
Photography	210,582.21		5,879.88	121.30
Photography Video	121.30		39,613.86	1,325.02
Special Courses-Bus	40,938.88		444,753.09	9,318.91
Business Management	454,072.00		69,538.34	1,690.00
Business Management Video	1,690.00		3,864.58	
Business Management Web	69,538.34		136,885.20	17,833.76
Business Management RODP	3,864.58		154,179.88	9,576.35
Culinary	154,179.96		154,179.88	
Music Technology	163,756.23		3,228,687.08	166,110.63
TOTAL BUSINESS SCIENCE TECHNOLOGY	\$ 3,394,797.71	\$ -	\$ 3,394,797.71	\$ -
ENGINEERING TECHNOLOGIES				
Bio Technology	\$ 79,280.47		\$ 79,280.47	\$ 68,035.95
Architect Eng Tech	196,654.96		196,654.96	11,244.52
Eng Tech (Arch) Web	1,537.68		1,537.68	10,406.19
Civil & Constr Eng Tech	103,447.34		103,447.34	96,729.38
CAD	20,768.03		20,768.03	6,717.96
Electrical Eng Tech	260,965.15		260,965.15	666.01
Electronic Eng Tech	163,186.20		163,186.20	15,186.08
Manufacturing Eng	70,443.32		70,443.32	12,715.43
Special Courses-Engo	8,719.67		8,719.67	
Computer Technology	198,095.20		198,095.20	197,163.34
Automotive Technology	162,194.16		162,194.16	156,680.24
Acad Skills Waverly	5,070.30		5,070.30	5,513.92
Accounting Waverly	14,312.18		14,312.18	911.86
Biology Waverly	35,809.88		35,809.88	13,157.04
Education Waverly	4,229.32		4,229.32	
English Waverly	25,388.09		25,388.09	

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	EXPENDITURES BY PURPOSE		EXPENDITURES BY PURPOSE		EXPENDITURES BY PURPOSE	
	Unrestricted	Restricted	Total	Personal Services	Supplies & Expenses	Equipment & Capital Outlay
ENGINEERING TECHNOLOGY (cont'd)						
History Waverly	10,256.60		10,256.60	10,256.60		
Math Waverly	34,998.69		34,998.69	34,998.69		
Phys Education	3,673.57		3,673.57	3,673.57		
Psychology Waverly	10,799.13		10,799.13	10,799.13		
Spanish Waverly	6,421.39		6,421.39	6,421.39		
Police Science Waverly	1,610.15		1,610.15		1,610.15	
Cookeville Tr Center	956,620.29		956,620.29	910,643.81	45,976.48	
Jackson Foundation		(247.07)	(247.07)	(247.07)		
Ed Clark Memorial	1,050.00		1,050.00		1,050.00	
Bio Tech Summer Workshop	621.56		621.56		621.56	
Model Sequence 05-06	14,555.24		14,555.24	12,403.50	2,151.74	
TN Tech Deans' Council	6,222.66		6,222.66		6,222.66	
Architectural Engineering Tech	125.00		125.00		125.00	
Electrical Engineering Tech	579.56		579.56		579.56	
Center of Emphasis	94,700.00		94,700.00	94,227.80	472.20	
GE Prog Logic Controller Training	8,802.00		8,802.00	8,802.00		
GM Dealer Training	29,101.33		29,101.33	29,101.33		
Synergy 2004	14,207.47		14,207.47	12,109.35	2,098.12	
NSF-Career Pathways 05	26,826.50		26,826.50		26,826.50	
NSF Ford PAS 2006-07	5,600.00		5,600.00		5,600.00	
CITE 2003-2004	(14,580.35)		(14,580.35)	(14,640.35)	60.00	
CITE 2004-2005	151,080.13		151,080.13	81,766.20	69,313.93	
CITE 2005-2006	249,908.99		249,908.99	190,728.06	59,180.93	
NSF-Case Files 04-05	113,202.78		113,202.78	96,721.34	16,481.44	
NSF 04 Chemistry Lab	1,200.00		1,200.00	1,200.00		
NSF CITE EDS Project	18,388.98		18,388.98		18,388.98	
Dept Educ IT 04-05	10,310.05		10,310.05	831.38	9,478.67	
Deveg Faculty	534.30		534.30		534.30	
Voc Tech W/S	16,655.19		16,655.19	16,655.19		
TOTAL ENGINEERING TECHNOLOGY	\$2,374,481.77	\$ 748,844.32	\$3,123,326.09	\$2,742,131.53	\$ 381,194.56	\$ -
COMMUNITY EDUCATION						
CONTINUING EDUCATION						
Distance Education	26,647.50		26,647.50	26,617.50	30.00	
Equipment-Voclectins	120,243.91		120,243.91		86,856.28	33,385.63
Deveg Faculty Change	534.31		534.31		534.31	
Communications	94,899.12		94,899.12		94,899.12	
Computer Serv. Alloc:	666,020.16		666,020.16	5,564.10	666,020.16	
Voc Tech W/S	5,564.10		5,564.10			
Work Scholarship	25,701.01		25,701.01	5,564.10	25,701.01	
Dependent Fee Waiver	36,482.55		36,482.55	36,482.55		
Employee Fee Waivers	8,071.25		8,071.25	8,071.25		
Tech Access Fee	1,172,793.90		1,172,793.90	229,970.46	802,719.41	140,104.03
Liability Insurance	48,773.22		48,773.22	19,210.09	48,773.22	
CEU Courses	24,234.76		24,234.76	48,262.31	5,024.67	
WFTC Long	44,997.91		44,997.91	48,262.31	(3,264.40)	
Communication-Community Ed	348.67		348.67		348.67	
Computer Serv. Alloc:	5,834.63		5,834.63		5,834.63	
CEU W/S	451.55		451.55	451.55		
Liability Insurance	476.70		476.70		476.70	
Government Procurement	655.44		655.44		655.44	
NSI CC-UCHRA-5-17677	10,670.61		10,670.61		10,670.61	
CEU W/S	1,342.62		1,342.62	1,342.62		
TRA Students	126,839.02		126,839.02		126,839.02	
TOTAL CONTINUING EDUCATION	\$2,282,075.25	\$ 139,507.89	\$2,421,582.94	\$ 375,972.43	\$1,872,120.85	\$ 173,489.66

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2005
 Unaudited

Schedule 3

	EXPENDITURES BY PURPOSE		Total	EXPENDITURES BY PURPOSE		Equipment & Capital Outlay
	Unrestricted	Restricted		Personal Services	Supplies & Expenses	
PREPARATORY/REMEDIAL INSTRUCTION						
Unemployment	(206,10)		(206,10)	(206,10)		
R/D Writing, Read, Lea	508,064.13		508,064.13	480,489.77	27,574.36	
Math/Remedy/Development	193,808.31		193,808.31	183,486.87	10,321.44	
R/D Reading Stral	4,090.83		4,090.83	4,090.83		
Learning Center	131,487.85		131,487.85	126,175.72	5,322.13	
LD Grant Match	61,628.75		61,628.75	61,628.75		
Communications	7,281.62		7,281.62	7,281.62		
Computer Serv. Alloc.	113,601.92		113,601.92	113,601.92		
Work Scholarship	7,417.50		7,417.50	7,417.50		
Dependent Fee Waiver	2,923.00		2,923.00	2,923.00		
Employee Fee Waivers	91.00		91.00	91.00		
Liability Insurance	7,872.36		7,872.36	7,872.36		
Instructional Comp Absences	13,306.25		13,306.25	13,306.25		
Ford SEP		17,020.37	17,020.37	16,493.46	526.91	
Ford 2004		(1,013.97)	(1,013.97)	(1,091.30)	77.33	
Ford 2005-06		102,158.91	102,158.91	99,534.69	2,824.22	
TOTAL PREPARATORY/REMEDIAL INSTRUCTION	\$ 1,051,377.42	\$ 118,165.31	\$ 1,169,542.73	\$ 982,632.11	\$ 186,910.62	\$ -
TOTAL EDUCATION & GEN. VOC. TECH INSTRUCTION						
	\$ 15,323,269.80	\$ 1,025,165.12	\$ 16,348,434.92	\$ 12,798,975.77	\$ 3,375,659.49	\$ 173,489.66
PUBLIC SERVICE						
Unemployment	9,848.00		9,848.00	9,848.00		
TTC and Grant Co-ordinator	12.92		12.92	84.15		
NCAC/COMDATA SI Cost	84.15		84.15	84.15		
Project Paycheck	805.22		805.22		805.22	
WFTC-Short	367,046.81		367,046.81	239,735.28	127,311.53	
Communication	2,496.39		2,496.39	2,496.39		
Computer Serv. Alloc.	30,804.75		30,804.75	30,804.75		
Pencil Foundation	8.56		8.56	8.56		
Dependent Fee Waiver	1,192.74		1,192.74	1,192.74		
Employee Fee Waivers	273.00		273.00	273.00		
Liability Insurance	2,056.62		2,056.62	2,056.62		
Public Service Comp Absences	(3,242.56)		(3,242.56)	(3,242.56)		
Resources Conserv		9,196.90	9,196.90	9,196.90		
Tech Prep 2004-2005		5,418.58	5,418.58	(13.36)	9,196.90	
Tech Prep 2005-2006		100,605.35	100,605.35	79,586.81	5,431.94	
TN Center for Performance Exc.		176,130.22	176,130.22	176,130.22	21,018.54	
Pencil Foundation		2,485.70	2,485.70	2,485.70		
TOTAL PUBLIC SERVICE	\$ 411,366.60	\$ 293,836.75	\$ 705,223.35	\$ 506,101.46	\$ 198,121.89	\$ -
ACADEMIC SUPPORT LIBRARIES						
Library	\$ 572,579.12		\$ 572,579.12	\$ 452,403.92	\$ 66,076.82	\$ 55,098.38
Communications	3,333.28		3,333.28	3,333.28		
Computer Ser. Alloc.	43,001.04		43,001.04	807.07	43,001.04	
Library WS	807.07		807.07			
Work Scholarship	7,101.00		7,101.00		7,101.00	
Liability Insurance	3,323.28		3,323.28		3,323.28	
Audio Visual Admin.	985.33		985.33		753.70	
Liability Insurance	6,265.20		6,265.20		6,265.20	
Library WS		2,421.48	2,421.48	2,421.48		
TOTAL LIBRARIES	\$ 637,395.32	\$ 2,421.48	\$ 639,816.80	\$ 456,632.47	\$ 128,854.32	\$ 55,330.01

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Schedule 3

	EXPENDITURES BY PURPOSE		Total	EXPENDITURES BY PURPOSE		Total
	Unrestricted	Restricted		Personal Services	Supplies & Expenses	
ACADEMIC COMPUTING SUPPORT						
Personnel Search	\$ 1,162,750.13		\$ 1,162,750.13	\$ 1,048,577.74	\$ 100,983.39	\$ 13,189.00
Data Entry Services	31,535.18		31,535.18	31,535.18		
Computer Center Allocated	(1,811,498.65)		(1,811,498.65)		(1,811,498.65)	
Computer Licenses & Software	108,269.20		108,269.20	108,269.20	483,315.93	
Banner Conversion	508,944.14		508,944.14	25,628.21	9,070.46	
Communications	9,070.46		9,070.46	1,159.56		
Computer Services W/S	1,159.56		1,159.56	3,682.75		
Dependent Fee Waiver	3,682.75		3,682.75	1,392.00		
Employee Fee Waivers	1,392.00		1,392.00			
Liability Insurance	231.54		231.54		231.54	
Computer Services W/S		\$ 3,478.84	\$ 3,478.84	\$ 3,478.84		
TOTAL ACADEMIC COMPUTING SUPPORT	\$ 15,536.31	\$ 3,478.84	\$ 19,015.15	\$ 1,115,454.28	\$ (1,109,628.13)	\$ 13,189.00
ANCILLARY SUPPORT						
Interpreters	\$ 45,143.35		\$ 45,143.35	\$ 63,875.17	\$ (19,731.82)	
Communications	713.56		713.56	5,584.20	713.56	
Liability Insurance	5,584.20		5,584.20		5,584.20	
TBR Cooperation Education		\$ 9,311.05	\$ 9,311.05	9,311.05		
Dept. of F&A Div. of OIR		636,846.68	636,846.68	636,846.68		
TOTAL ANCILLARY SUPPORT	\$ 51,441.11	\$ 646,157.73	\$ 697,598.84	\$ 710,032.90	\$ (12,434.05)	\$ -
ACADEMIC ADMINISTRATION						
Arts and Science Adm	\$ 167,171.75		\$ 167,171.75	\$ 160,364.94	\$ 6,806.81	
Business & Tech Adm	126,687.13		126,687.13	121,506.20	5,180.93	
Workforce/Conn Ed Svc	23,688.01		23,688.01	23,687.38	0.63	
Community Educ Center	104,694.62		104,694.62	103,879.88	814.74	
Com. Educ. Copier Act	(2,345.28)		(2,345.28)	212,545.78	(2,345.28)	
Off Campus Programs	220,178.41		220,178.41	49,412.50	7,632.63	
Academic Web Development	49,412.50		49,412.50	49,412.50		
Academic Program Assessment	14,401.89		14,401.89	267,815.80	14,150.17	\$ 251.72
Waverly Center	282,713.94		282,713.94	154,437.56	14,898.14	
Business and Applied Art	154,850.63		154,850.63	163,518.78	413.07	
Math and Natural Science	167,541.83		167,541.83	130,206.81	4,023.05	
English Hum & Arts	130,206.81		130,206.81	65,879.50	12,059.05	
Southeast Center	77,938.55		77,938.55	2,502.00		
Academic Adm'n Deeseg	2,502.00		2,502.00	22,257.76		
Communications	22,257.76		22,257.76	135,391.80	22,257.76	
Computer Service Allocated	135,391.80		135,391.80	147.05	33,138.00	
Academic Adm'n W/S	147.05		147.05	5,693.92		
Work Scholarship	33,138.00		33,138.00	1,007.75		
Dependent Fee Waiver	5,693.92		5,693.92	1,307.52	1,307.52	
Employee Fee Waivers	1,007.75		1,007.75	2,502.00		
Liability Insurance	1,307.52		1,307.52	441.20		
Academic Adm'n Deeseg		\$ 2,502.00	\$ 2,502.00	\$ 1,465,549.05	\$ 255,729.02	\$ 251.72
Acad Adm'n W/S		441.20	441.20			
TOTAL ACADEMIC ADMINISTRATION	\$ 1,718,586.59	\$ 2,943.20	\$ 1,721,529.79	\$ 1,465,549.05	\$ 255,729.02	\$ 251.72
ACADEMIC PERSONNEL DEVELOPMENT						
Instructional Staff Development	\$ 102,510.67		\$ 102,510.67	\$ 23,129.82	\$ 102,510.67	
Academic Support	23,129.82		23,129.82	23,129.82		
TOTAL ACADEMIC PERSONNEL DEVELOPMENT	\$ 125,640.49	\$ -	\$ 125,640.49	\$ 23,129.82	\$ (634,968.18)	\$ 68,770.73
TOTAL ACADEMIC SUPPORT	\$ 2,548,599.82	\$ 655,001.25	\$ 3,203,601.07	\$ 3,769,798.52	\$ (634,968.18)	\$ 68,770.73

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Schedule 3

	SOCIAL & CULTURAL DEVELOPMENT			EXPENDITURES BY PURPOSE			
	Unrestricted	Restricted	Total	Personal Services	Supplies & Expenses	Equipment & Capital Outlay	
IA/SIS	\$ 60,400.00		\$ 60,400.00		\$ 60,400.00		
Liability Insurance	1,552.68		1,552.68		1,552.68		
Student Life	31,876.88		31,876.88		31,876.88		
Student Newspaper	50.00		50.00		50.00		
Student Service Administration	202,046.21		202,046.21	\$ 191,166.40	10,879.81		
Student Government	440.00		440.00		440.00		
Communications	1,362.64		1,362.64		1,362.64		
Computer Services-Student Acct.	17,909.03		17,909.03		17,909.03		
Liability Insurance	2,478.84		2,478.84		2,478.84		
TOTAL SOCIAL & CULTURAL DEVELOPMENT	\$ 318,116.28	\$ -	\$ 318,116.28	\$ 191,166.40	\$ 126,949.88	\$ -	\$ -
COUNSELING & CAREER GUIDANCE							
Career Employment	\$ 96,810.17		\$ 96,810.17	\$ 90,560.82	\$ 5,249.35		
Testing	148,918.49		148,918.49	134,411.43	14,507.06		
Student Information	0.00		0.00				
Communications	1,630.47		1,630.47		1,630.47		
Computer Services Allocated	20,726.94		20,726.94		20,726.94		
Counseling & Career W/S	696.19		696.19				
Work Scholarship	3,550.50		3,550.50		3,550.50		
Employee Fee Waivers	273.00		273.00	273.00			
Liability Insurance	5,243.70		5,243.70		5,243.70		
Coun 7 Career W/S		2,023.64	2,023.64				
TOTAL COUNSELING & CAREER GUIDANCE	\$ 276,849.46	\$ 2,023.64	\$ 278,873.10	\$ 227,865.08	\$ 50,906.02	\$ -	\$ -
FINANCIAL AID ADMINISTRATION							
Financial Aid	\$ 505,620.48		\$ 505,620.48	\$ 477,500.72	\$ 28,119.76		
Communications	3,322.81		3,322.81		3,322.81		
Computer Services Allocated	42,445.42		42,445.42		42,445.42		
Financial Aid W/S	904.21		904.21	904.21			
Work Scholarship	10,557.63		10,557.63	2,451.50	10,557.63		
Dependent Fee Waivers	2,451.50		2,451.50				
Employee Fee Waivers	364.00		364.00	364.00			
Liability Insurance	6,891.72		6,891.72		6,891.72		
Educ. Fin. Aid Admin		28,824.07	28,824.07	6,144.19			
Financial Aid W/S		2,713.04	2,713.04	2,713.04			
TOTAL FINANCIAL AID ADMINISTRATION	\$ 572,557.77	\$ 31,537.11	\$ 604,094.88	\$ 490,077.66	\$ 114,017.22	\$ -	\$ -
STUDENT ADMISSIONS & RECORDS							
Unemployment	\$ 1,515.89		\$ 1,515.89	\$ 1,515.89			
Admissions	414,317.44		414,317.44	384,275.92	30,041.52		
Records	357,752.18		357,752.18	333,259.29	24,492.89		
Catalog	82,009.70		82,009.70		82,009.70		
Recording	6,451.48		6,451.48	11.04	6,440.44		
Public Development	419,382.94		419,382.94	132,311.79	287,070.75		
PD Sound Room	350.00		350.00		350.00		
Non-Credit Student	6,591.03		6,591.03		6,591.03		
Communications	84,085.94		84,085.94		84,085.94		
Computer Services Allocated	217.75		217.75	217.75			
Admissions W/S	3,839.00		3,839.00	3,839.00			
Dependent Fee Waiver	4,738.00		4,738.00	4,738.00			
Employee Fee Waiver	4,739.76		4,739.76		4,739.76		
Liability Insurance	5,473.11		5,473.11	5,473.11			
Student Services		653.25	653.25				
Admissions W/S		653.25	653.25				
TOTAL STUDENT ADMISSIONS & RECORDS	\$ 1,418,790.85	\$ 653.25	\$ 1,419,444.10	\$ 866,295.04	\$ 553,149.06	\$ -	\$ -
TOTAL STUDENT SERVICES							
	\$ 2,586,314.36	\$ 34,214.00	\$ 2,620,528.36	\$ 1,775,604.18	\$ 845,024.18	\$ -	\$ -

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Schedule 3

	Unrestricted	Restricted	Total	EXPENDITURES BY PURPOSE		
				Personal Services	Supplies & Expenses	Equipment & Capital Outlay
INSTITUTIONAL SUPPORT						
EXECUTIVE MANAGEMENT						
President's Office	\$ 265,926.15		\$ 265,926.15	\$ 249,903.63	\$ 16,022.52	\$ -
Housing and Administration Allowance	7,399.98		7,399.98	162,523.90	6,152.08	
Vice-President Academic	168,675.98		168,675.98	141,127.16	\$02.37	
Institutional Research	141,629.53		141,629.53	11,556.39	12,738.98	
Institutional Representative	11,556.39		11,556.39		0.07	
Institutional Memberships	12,738.98		12,738.98			
Faculty Senate	0.07		0.07	159,774.55		
Vice-President Finance & Administration	164,447.27		164,447.27	3,184.30	4,672.72	
Staff Assembly	3,184.30		3,184.30	7,041.65	2,604.57	
Legal Services	7,041.65		7,041.65	148,604.28	1,627.18	
Asst. to the President	151,208.85		151,208.85	6,922.93	89,967.76	
Special Projects	1,627.18		1,627.18	1,572.86	4,734.00	
Communications	6,922.93		6,922.93	637.00	5,257.32	
Computer Services Allocated	89,967.76		89,967.76			
Executive W/S	1,572.86		1,572.86			
Work Scholarship	4,734.00		4,734.00			
Executive Dependnt	8,433.50		8,433.50			
Employee Fee Waivers	637.00		637.00			
Liability Insurance	5,257.32		5,257.32			
Institutional Support Comp Absences	14,221.02		14,221.02			
Executive W/S	4,718.49		4,718.49			
TOTAL EXECUTIVE MANAGEMENT	\$1,067,182.72	\$ 4,718.49	\$1,071,901.21	\$ 891,516.39	\$ 180,384.82	\$ -
FISCAL OPERATIONS						
Cash Over/Short	\$ 112.51		\$ 112.51	\$ 82,023.23	\$ 112.51	
Budgeting	82,967.48		82,967.48	220,185.29	944.26	
Bursar	242,607.63		242,607.63	9,360.00	22,422.34	
HRS	9,360.00		9,360.00	274,689.61	5,237.86	
Accounting	279,927.47		279,927.47		7,799.00	
FRS Maintenance	7,799.00		7,799.00	137,725.04	18,401.50	
Bad Debt Expense	137,725.04		137,725.04	84,481.37	84,481.37	
Banking Charges	18,401.50		18,401.50	153,990.68	4,922.50	
Bank Charges-Bank Cards	84,481.37		84,481.37	1,037.60	1,037.60	
Payroll	153,990.68		153,990.68	284.21	71,518.52	
Communications	1,037.60		1,037.60	1,887.00	4,713.37	
Computer Services Allocated	71,518.52		71,518.52	749.10	749.10	
Fiscal Operations W/S	4,997.58		4,997.58	46,777.46	1,412.79	
Employee Fee Waivers	1,887.00		1,887.00		4,500.00	
Liability Insurance	749.10		749.10		335.89	
Internal Auditor	48,180.25		48,180.25	56,817.52	0.37	
Internal Audit TBR	4,500.00		4,500.00		3,291.50	
Purchasing	56,817.52		56,817.52		64,200.00	
Affirmative Action	0.37		0.37		5,877.37	
Flexible Benefits	3,291.50		3,291.50		72,598.43	
TBR Chargeback	64,200.00		64,200.00	1,002.61		
Communications	5,877.37		5,877.37			
Computer Services Allocated	72,598.43		72,598.43			
General Administration W/S	1,002.61		1,002.61			

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Schedule 3

	EXPENDITURES BY PURPOSE		Total	EXPENDITURES BY PURPOSE		Total
	Unrestricted	Restricted		Personal Services	Supplies & Expenses	
FISCAL OPERATIONS (cont'd)						
Dependent Fee Waivers	5,045.19		5,045.19	5,045.19		
Employee Fee Waivers	1,160.25		1,160.25	1,160.25		
Liability Insurance	1,906.80		1,906.80	1,906.80		
Fiscal Operations WS		852.64	852.64	852.64		
Affirmative Action WS		3,007.89	3,007.89	3,007.89		
TOTAL FISCAL OPERATIONS	\$ 1,361,962.78	\$ 3,860.53	\$ 1,365,823.31	\$ 842,265.49	\$ 523,557.82	\$ -
PERSONNEL SERVICES						
Personnel	\$ 180,243.98		\$ 180,243.98	\$ 156,921.18	\$ 3,322.80	\$ -
TOTAL PERSONNEL SERVICES	\$ 180,243.98	\$ -	\$ 180,243.98	\$ 156,921.18	\$ 3,322.80	\$ -
PROPERTY MANAGEMENT						
Property Management	\$ 153,024.90		\$ 153,024.90	\$ 152,033.26	\$ 991.64	\$ -
Postage and Mailing	70,423.42		70,423.42	(65,053.32)	70,423.42	
Postage and Mailing Allocated	(65,053.32)		(65,053.32)		(65,053.32)	
TOTAL PROPERTY MANAGEMENT	\$ 158,395.00	\$ -	\$ 158,395.00	\$ 152,033.26	\$ 6,361.74	\$ -
SAFETY & SECURITY						
Safety & Security	\$ 401,678.32		\$ 401,678.32	\$ 390,420.25	\$ 11,258.07	\$ -
Security-Cookeville	43,125.18		43,125.18	31,695.52	1,485.75	\$ 9,963.91
Motor Vehicle Operations	17,085.11		17,085.11		17,085.11	
Motor Vehicle Allocation	(27,841.66)		(27,841.66)		(27,841.66)	
Printing & Duplicating	2,369.98		2,369.98		2,369.98	
TOTAL SAFETY & SECURITY	\$ 436,416.93	\$ -	\$ 436,416.93	\$ 422,115.77	\$ 4,337.25	\$ 9,963.91
OTHER OPERATING SERVICES						
Telephone	\$ 84,164.58		\$ 84,164.58	\$ 84,164.58	\$ 84,164.58	\$ -
Telephone Cookeville	8,274.68		8,274.68	8,274.68	8,274.68	
Telephone Waverly	8,408.27		8,408.27	8,408.27	8,408.27	
Telephone Southeast	6,088.57		6,088.57	6,088.57	6,088.57	
Telephone Allocated	(84,164.58)		(84,164.58)		(84,164.58)	
TOTAL OTHER OPERATING SERVICES	\$ 22,771.52	\$ -	\$ 22,771.52	\$ -	\$ 22,771.52	\$ -
PUBLIC RELATIONS DEVELOPMENT						
Graduation	\$ 27,408.54		\$ 27,408.54	\$ 166,384.08	\$ 27,408.54	\$ -
Institutional Fund Raising	181,427.82		181,427.82	70,804.60	13,043.74	\$ -
Grant Development	71,124.33		71,124.33		319.73	
Communication Allocation	1,669.80		1,669.80		1,669.80	
Computer Services	18,672.18		18,672.18		18,672.18	
Liability Insurance	2,410.74		2,410.74		2,410.74	
SAGE Ins/Support		4,454.25	4,454.25	239,188.68	4,454.25	
TOTAL PUBLIC RELATIONS DEVELOPMENT	\$ 302,713.41	\$ 4,454.25	\$ 307,167.66	\$ 239,188.68	\$ 67,978.98	\$ -
TOTAL INSTITUTIONAL SUPPORT	\$ 3,509,686.34	\$ 13,033.27	\$ 3,522,719.61	\$ 2,704,040.77	\$ 808,714.93	\$ 9,963.91

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2005
 Unaudited

	OPERATION & MAINTENANCE OF PHYSICAL PLANT		EXPENDITURES BY PURPOSE			
	Unrestricted	Restricted	Total	Personal Services	Supplies & Expenses	Equipment & Capital Outlay
PHYSICAL PLANT						
Physical Plant Administration	\$ 116,953.99		\$ 116,953.99	\$ 109,621.30	\$ 7,332.69	
Communications	933.33		933.33		933.33	
Computer Services Allocated	14,488.44		14,488.44		14,488.44	
Dependent Fee Waivers	1,096.00		1,096.00	1,096.00		
Employee Fee Waivers	91.00		91.00	91.00		
Liability Insurance	122.58		122.58			122.58
TOTAL PHYSICAL PLANT	\$ 133,685.34	\$ -	\$ 133,685.34	\$ 110,808.30	\$ 22,877.04	\$ -
OPERATIONS & MAINTENANCE						
Building Maintenance	\$ 313,586.93		\$ 313,586.93	\$ 232,016.98	\$ 81,569.95	
Building Maintenance - Cookeville	37,406.32		37,406.32		37,406.32	
Building Maintenance - Waverly	69,942.13		69,942.13	66,193.29	3,748.84	
Building Maintenance - TPS	59,040.37		59,040.37		59,040.37	
Communications	1,409.66		1,409.66		1,409.66	
Computer Services Allocated	49,873.34		49,873.34		49,873.34	
Liability Insurance	1,266.66		1,266.66	2,765.14		1,266.66
Unemployment	2,765.14		2,765.14			
Custodial Services	380,575.54		380,575.54	225,607.58	20,087.02	154,967.96
Custodial Services - Cookeville	65,968.44		65,968.44	45,881.42		20,087.02
Custodial Services - Waverly	1,270.63		1,270.63			1,270.63
Communications	2,195.26		2,195.26			2,195.26
Liability Insurance	1,607.16		1,607.16			1,607.16
Utilities	542,856.64		542,856.64			542,856.64
Utilities - Cookeville	75,090.06		75,090.06			75,090.06
Utilities - Waverly	33,207.45		33,207.45			33,207.45
Utilities Allocated to Auxiliaries	(3,450.27)		(3,450.27)			(3,450.27)
Landscape & Grounds	47,038.37		47,038.37	13,910.10		33,128.27
Landscape - Cookeville	7,060.66		7,060.66			7,060.66
Landscape - Waverly	7,116.48		7,116.48			7,116.48
Communications	235.84		235.84			235.84
Dependent Fee Waiver	200.00		200.00	200.00		
Liability Insurance	231.54		231.54			231.54
Major Repairs and Renovations	168,717.15		168,717.15			168,717.15
Maintenance	2,985.08		2,985.08	2,985.08		
TOTAL OPERATIONS & MAINTENANCE	\$ 1,868,197.58	\$ -	\$ 1,868,197.58	\$ 589,559.59	\$ 1,278,637.99	\$ -
TOTAL OPERATIONS & MAINT. OF PHYSICAL PLANT	\$ 2,001,892.92	\$ -	\$ 2,001,892.92	\$ 700,367.89	\$ 1,301,515.03	\$ -
SCHOLARSHIPS & FELLOWSHIPS						
TBR/UT Employee Waivers	\$ 12,663.00		\$ 12,663.00		\$ 12,663.00	
TBR/UT Dependent Waivers	1,323.00		1,323.00		1,323.00	
Fee Waivers - State Employees	117,373.50		117,373.50		117,373.50	
Contract Fee Remissions	74,729.00		74,729.00		74,729.00	
State Fee - Teachers Discount	39,854.14		39,854.14		39,854.14	
State Minority School	3,327.00		3,327.00		3,327.00	
SEOG	43,070.74		43,070.74		43,070.74	
State Employee Dependents	57,409.68		57,409.68		57,409.68	
Deased Minority	36,900.00	\$ 36,900.00	36,900.00		36,900.00	
Geor. Minority	2,218.00	2,218.00	2,218.00		2,218.00	
Pell 2004-05	9,935.91	9,935.91	9,935.91		9,935.91	
Pell 2005-06	5,678,410.07	5,678,410.07	5,678,410.07		5,678,410.07	
SEOG 2005-06	129,212.26	129,212.26	129,212.26		129,212.26	
Hope Scholarship 05	1,125.00	1,125.00	1,125.00		1,125.00	
Hope Scholarship 06	284,010.00	284,010.00	284,010.00		284,010.00	
Supplemental 05	500.00	500.00	500.00		500.00	
Supplemental 06	86,541.00	86,541.00	86,541.00		86,541.00	
TSAC NSCC	280,514.00	280,514.00	280,514.00		280,514.00	
Sponsored Scholarships	93,469.90	93,469.90	93,469.90		93,469.90	
TOTAL SCHOLARSHIPS & FELLOWSHIPS	\$ 3,497,750.06	\$ 6,602,836.14	\$ 6,952,586.20	\$ -	\$ 6,952,586.20	\$ -

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CURRENT FUNDS EXPENDITURES BY FUNCTION
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Schedule 3

	EXPENDITURES BY PURPOSE		Total	EXPENDITURES BY PURPOSE		
	Unrestricted	Restricted		Personal Services	Equipment & Capital Outlay	
TOTAL EDUCATION AND GENERAL	\$26,730,899.90	\$8,624,086.53	\$35,354,976.43	\$22,254,788.59	\$12,847,963.54	\$252,224.30
TRANSFERS						
NONMANDATORY TRANSFERS						
Debt Serv Transfers	\$ 16,200.00		\$ 16,200.00		\$ 16,200.00	
Transfers-Unexpended	468,600.00		468,600.00		468,600.00	
Transfers-Renewal/Re	1,708,918.31		1,708,918.31		1,708,918.31	
TOTAL NONMANDATORY TRANSFERS	\$ 2,193,718.31	\$ -	\$ 2,193,718.31	\$ -	\$ 2,193,718.31	\$ -
AUXILIARY ENTERPRISES						
Expenditures	\$ 3,463.89	\$ -	\$ 3,463.89	\$ -	\$ 3,463.89	\$ -
TOTAL AUXILIARY ENTERPRISES	\$ 3,463.89	\$ -	\$ 3,463.89	\$ -	\$ 3,463.89	\$ -
TRANSFERS						
NONMANDATORY						
Renewal & Replacement	\$ 10,400.00	\$ -	\$ 10,400.00	\$ -	\$ 10,400.00	\$ -
TOTAL NONMANDATORY TRANSFERS	\$ 10,400.00	\$ -	\$ 10,400.00	\$ -	\$ 10,400.00	\$ -
TOTAL EDUCATION & GENERAL EXP. & TRANSFERS	\$28,938,472.10	\$8,624,086.53	\$37,562,558.63	\$22,254,788.59	\$15,055,545.74	\$ 252,224.30

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - RESTRICTED CURRENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	Balance 7/1/05	ADDITIONS			DEDUCTIONS			Balance 6/30/06
		Gifts, Grants & Appropriations	Endowment Income	Other	Indirect Cost Recoveries	Expenditures	Refund to Grantor	
INSTRUCTION								
GENERAL STUDIES	\$ 76.07					40.20		\$ 35.87
Tetahadra	4,279.16					4,279.16		-
University of Tennessee	1,050.00					1,050.00		-
Ed Clark Memorial	44.50			\$ 49,633.47		2,055.50		46,962.47
HCA Nursing Program	621.56					621.56		-
Bio Tech Summer Workshop						12,272.94		-
General Academic W/S						20,319.36		-
TOTAL GENERAL STUDIES	\$ 6,071.29	\$ 12,272.94	\$ -	\$ 49,633.47	\$ -	\$ 20,319.36	\$ -	\$ 46,998.34
BUSINESS SCIENCE TECHNOLOGIES								
Graphic Arts	\$ 1,069.40							\$ 1,069.40
TOTAL BUSINESS SCIENCE TECHNOLOGIES	\$ 1,069.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,069.40
ENGINEERING TECHNOLOGIES								
Engineering Technology Conference	\$ 3,710.59							\$ 3,710.59
Nissan	1,927.32							1,927.32
Square D Company	2,000.00					125.00		2,000.00
Architectural Engineering Technology	200.00					579.56		75.00
Electrical Engineering Technology	1,006.92					(247.07)		427.36
Jackson Foundation	14,835.89							15,082.96
State Board of Architects	920.71							920.71
GE Program Logic	8,802.00					8,802.00		-
GM Dealer Training	81,819.79					29,101.33		52,718.46
Fleetguard	70.34						\$ 70.34	-
Center of Emphasis	(307.81)	\$ 94,700.00				94,700.00		-
NSF CITE 2003-2004		(14,272.54)			\$ 29,259.87	(14,580.35)		-
NSF CITE 2004-2005		180,340.00			41,890.89	151,090.13		-
NSF CITE 2005-06		291,799.88				249,908.99		-
NSF Case Files 2004-2005		113,202.78				113,202.78		-
NSF 04 Chemistry Lab		1,200.00				1,200.00		-
NSF CITE EDS Project		34,459.79			70.77	18,388.98		16,070.81
Dept. of Ed Info Tech		10,434.14				10,310.05		53.32
Synergy 2004		14,207.47				14,207.47		-
NSF Career Path 05		27,078.16			251.66	26,826.50		-
NSF Ford PAS				\$ 14,217.86		5,600.00		8,617.86
Deseg Faculty		400.00				534.30		-
Voc Tech W/S		16,655.19				16,655.19		-
TN Tech Deans Council		6,222.66				6,222.66		-
Model Sequence 05-06		14,555.24				14,555.24		-
TOTAL ENGINEERING TECHNOLOGIES	\$ 114,985.75	\$ 790,982.77	\$ -	\$ 14,217.86	\$ 71,473.19	\$ 747,172.76	\$ 70.34	\$ 101,470.09
COMMUNITY EDUCATION								
NSTCC-UCHRA		\$ 10,670.61				\$ 10,670.61		\$ -
JTPA-TRA		126,839.02				126,839.02		-
SDA 11	\$ 1,991.63			\$ (1,991.63)		655.44		1,635.18
Government Procurement	2,290.62					1,342.62		-
CEU W/S		1,342.62				1,342.62		-
TOTAL COMMUNITY EDUCATION	\$ 4,282.25	\$ 138,852.25	\$ -	\$ (1,991.63)	\$ -	\$ 139,507.69	\$ -	\$ 1,635.18

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - RESTRICTED CURRENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	Balance 7/1/05	ADDITIONS				DEDUCTIONS				Balance 6/30/06
		Gifts, Grants & Appropriations	Endowment Income	Other	Indirect Cost Recoveries	Expenditures	Refund to Grantor	Other		
PREPARATORY/REMEDIAL INSTRUCTION										
Ford SEP		\$ 17,047.37			\$ 27.00	\$ 17,020.37			\$ -	
Ford Learning Lab 2004-05	\$ 77.33	(1,070.28)			21.02	(1,013.97)			-	
Ford Learning Lab 2005-06		108,887.83			6,728.92	102,158.91			-	
Deseg Faculty	1,090.96								1,090.96	
TOTAL PREPARATORY/REMEDIAL INSTRUCTION	\$ 1,168.29	\$ 124,864.92	\$ -	\$ -	\$ 6,776.94	\$ 118,165.31	\$ -	\$ -	\$ 1,090.96	
TOTAL INSTRUCTION	\$ 127,576.98	\$ 1,095,972.88	\$ -	\$ -	\$ 78,250.13	\$ 1,025,165.12	\$ 70.34	\$ 680.00	\$ 152,283.97	
PUBLIC SERVICE										
Tech Prep 2004-2005			\$ 5,431.94			\$ 5,418.58			\$ 13.36	
Tech Prep 2005-2006			100,605.35			100,605.35			-	
FAMS Project	\$ 11,909.18							\$ 11,909.18	-	
FAMS W/S & State Couns.	2,306.70							2,306.70	-	
FAMS Tech Prep	1,98							1.98	-	
Resources Conservation	17,250.17		(734.08)						7,319.19	
Tennessee Center for Performance Exc.			184,644.71		\$ 8,514.49	176,130.22			-	
Project Pencil W/S			2,485.70			2,485.70			-	
TOTAL PUBLIC SERVICE	\$ 31,468.03	\$ 292,433.62	\$ -	\$ -	\$ 8,514.49	\$ 283,836.75	\$ -	\$ 14,217.86	\$ 7,332.55	
ACADEMIC AND ANCIILIARY SUPPORT										
ACADEMIC LIBRARY SUPPORT		\$ 2,421.48				\$ 2,421.48			\$ -	
Library W/S			\$ 2,421.48						\$ -	
TOTAL ACADEMIC COMPUTING SUPPORT	\$ -	\$ 3,478.84				\$ 3,478.84			\$ -	
ACADEMIC COMPUTING SUPPORT										
Computer Services W/S		\$ 3,478.84							\$ -	
TOTAL ACADEMIC COMPUTING SUPPORT	\$ -	\$ 3,478.84				\$ 3,478.84			\$ -	
ANCIILIARY SUPPORT										
F/A-Div. of OIR		\$ 677,747.60			\$ 40,900.92	\$ 636,846.68			\$ -	
TBR Cooperative Educ.		10,263.00			951.95	9,311.05			-	
TOTAL ACADEMIC SUPPORT	\$ -	\$ 688,010.60			\$ 41,852.87	\$ 646,157.73			\$ -	
ACADEMIC ADMINISTRATION										
Acad Admin W/S		\$ 441.20				\$ 441.20			\$ -	
Deseg Staff		2,500.00				2,502.00			(2.00)	
TOTAL ACADEMIC ADMINISTRATION	\$ -	\$ 2,941.20			\$ -	\$ 2,943.20			\$ (2.00)	
TOTAL ACADEMIC AND ANCIILIARY SUPPORT	\$ -	\$ 696,852.12			\$ 41,852.87	\$ 655,001.25			\$ (2.00)	
STUDENT SERVICES										
Educ. Financial Aid Administration	\$ 129,708.95	\$ 25,869.34				\$ 28,824.07			\$ 126,754.22	
Counseling & Career Guidance W/S		2,023.64				2,023.64			-	
Deseg Staff	159.26								159.26	
Financial Aid W/S		2,713.04				2,713.04			-	
Admission W/S		653.25				653.25			-	
TOTAL STUDENT SERVICES	\$ 129,868.21	\$ 31,259.27	\$ -	\$ -	\$ -	\$ 34,214.00	\$ -	\$ -	\$ 126,913.48	

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - RESTRICTED CURRENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	Balance 7/1/05	ADDITIONS				DEDUCTIONS			Balance 6/30/06
		Gifts, Grants & Appropriations	Endowment Income	Other	Indirect Cost Recoveries	Expenditures	Refund to Grantor	Other	
INSTITUTIONAL SUPPORT	\$ 1,718.85	\$ 4,718.49	-	-	-	\$ 4,718.49	\$ 649,655.00	-	\$ 1,718.85
TBR Meeting		852.64				852.64			-
Executive W/S		3,007.89				3,007.89			-
Fiscal Operations W/S									-
Affirmative Action W/S						4,454.25			-
SAGE Inst/Support	4,454.25								80,000.00
SAGE Costs/Staff Dev	20,000.00	60,000.00							-
SAGE Admin/Inst	20,000.00	646,095.00							-
TOTAL INSTITUTIONAL SUPPORT	\$ 29,743.10	\$ 714,674.02	\$ -	\$ -	\$ -	\$ 13,033.27	\$ 649,655.00	\$ -	\$ 81,718.85
TOTAL OPERATIONS & MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SCHOLARSHIPS AND FELLOWSHIPS									
Pell Grant		\$ 5,702,060.98			\$ 13,715.00	\$ 5,688,345.98			-
SEOG		137,871.26			8,659.00	129,212.26			-
CWSP		3,496.00			3,496.00				-
TSAC		286,718.00				280,514.00	\$ 6,204.00		-
Hope Scholarship 05		1,125.00				1,125.00			-
Hope Scholarship 06		285,659.00				284,010.00	1,237.00		412.00
Supplemental 05		500.00				500.00			-
Supplemental 06		87,104.00				86,541.00	138.00		375.00
Galier Minority Scholarship		2,218.00				2,218.00			-
Design Minority Scholarship		36,900.00				36,900.00			-
ADD Dept. Scholarship	\$ 398.50						398.50		1,173.62
Bennie Jones Memorial	978.62								487.58
ACT Scholarship	427.58	60.00	195.00						-
TSAC-Robert C. Byrd		750.00				750.00			-
Environmental Scholarship		2,323.63				2,323.63			-
21st Century Ed/Tyler		11,750.00				11,616.10	133.90		-
Over/Barnes/Owens		550.00				550.00			-
Citizens Scholarship		1,872.25				1,705.50	166.75		-
Educational Serv-Arme		6,250.00				6,250.00			-
Vanderbilt Univ Reed		500.00				500.00			-
Nashville Co-op-Garta		1,000.00				404.00			596.00
Vanderbilt-Foster		500.00							-
Build Your Tomorrow	861.00						500.00		-
The Spornsors-Maaid		3,275.00				3,275.00			-
One Barnes-Brown		1,100.00				1,100.00			-
One Barnes-Dawson		600.00				600.00			-
One Barnes-Scott		1,100.00				1,100.00			-
Belmont Baptist-Hall		500.00				500.00			-
Citizens-Cauthen		1,250.00				1,183.50	66.50		-
Sponsors-Maard		2,000.00				1,530.00	470.00		-
Freedom School-Masser		2,000.00				2,000.00			-
West End Methodist-M		2,500.00				1,894.00	606.00		-
GH Weems-General		2,000.00				1,744.20	255.80		-
Ceridan Corp-Hale		600.00				600.00			-

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - RESTRICTED CURRENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

	Balance 7/1/05	ADDITIONS				DEDUCTIONS			Balance 6/30/06
		Gifts, Grants & Appropriations	Endowment Income	Other	Indirect Cost Recoveries	Expenditures	Refund to Grantor	Other	
Citizens-Muller		663.00					663.00		
Sara Rhodes-Johnson		1,000.00				1,000.00			
Citizens-Urrutia		1,911.50				1,464.88	446.62		
AM Cancer-Ruff		1,000.00				1,000.00			
Vanderbilt-Martin		1,000.00				1,000.00			
Magdalene Brown	449.00					449.00			
Georgia Albright-Mak	1,196.00	1,500.00				2,696.00			
TOMC Sch-Taylor	500.00					500.00			
Weed Sch-Macid	500.00					500.00			
TSESA Sch-Potter			500.00			500.00			
SME Foundation-Floan			3,000.00			3,000.00			
Ruth Castles-Sch-Bro			1,000.00			1,000.00			
Lake Providence-Book			500.00			500.00			
WOW 1075-Beek			500.00			500.00			
Community Foundation			1,500.00			1,500.00			
TS/SA Sch-Tummins			500.00			500.00			
Goodlark-Fotter			500.00			500.00			
Citizens-McCormack			1,200.00			1,183.50	16.50		
One/Barnes-Harris			1,100.00			1,100.00			
Boostrap-Sch-Shores			500.00			500.00	500.00		
CIC Foundation-Adams			1,500.00			1,500.00			
Newport Kiwanis-Weat			1,000.00			1,000.00			
CB Trucking-The ISS			500.00			500.00			
Dickson Rotary-Willi			500.00			500.00	500.00		
CB Trucking-Hixon			1,000.00			1,000.00			
Salem UMC-Julian			1,000.00			1,000.00			
CCEA Sch-Mears			500.00			500.00			
Imman Sch-Stinson			750.00			750.00			
United Rentals-Pedro			409.87			409.87			
Ore/Barnes-Thomas			500.00			500.00	1,500.00		
NMSS Sch-Shore			1,500.00			1,500.00			
New Hope Baptist-Mar			500.00			500.00			
Stahman Sch-Parnell			1,250.00			1,250.00			
Best Buy Sch-Carroll			2,000.00			2,000.00			
DCDWSCH-SLNDY			200.00			200.00			
MR Memorial-Filler			500.00			500.00			
Vanderbilt-Bass			500.00			500.00			
Vanderbilt-Burton			500.00			500.00			
Ore/Barnes-Lancaster			550.00			550.00			
Ceridian-Johnson			800.00			800.00			
Sony BMG-Corbus			1,000.00			1,000.00			
Vanderbilt-Roland			900.00			900.00			
CNE CO-Hankin			2,000.00			2,000.00			
Sponsons-AGID			909.00			909.00			
UMC-Cates			500.00			500.00			
Vanderbilt-Ewing			1,000.00			1,000.00			
Vanderbilt-Palton			500.00			500.00			
Teksid Alum-Dickey			500.00			500.00			
Senior Sch-Ross			200.00			200.00			
TN Baptist Ruff			150.00			150.00			

1,274.03

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCES - RESTRICTED CURRENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2008
 Unaudited

	Balance 7/1/05	ADDITIONS				DEDUCTIONS				Balance 6/30/06
		Gifts, Grants & Appropriations	Endowment Income	Other	Indirect Cost Recoveries	Expenditures	Refund to Grantor	Other		
Teksid Alum-Daniel	500.00					500.00				500.00
Born Agah-Isong		200.00				200.00				
St. Thomas-Haley		900.00				681.75	218.25			
Waverly Exch-McKlemm		1,000.00				1,000.00				
ROTC Sch-Thomas		2,500.00				2,500.00				
One/Barnes-Fair		300.00				300.00				
May Cravath-McCullou		350.00				350.00				
Bootsrap Foundation-Noyol		500.00				500.00				
Lyford Cay-Perceinte		7,500.00					7,500.00			
Citizens-Jones		1,071.00				1,071.00				
Youth Encouragement		750.00				750.00				
Citizens-Stinson		1,200.00				1,200.00				
Jr. Clivlan-Peters		250.00				250.00				
Cheatham Co-Peters		2,000.00				2,000.00				
7th Day Adv-McIhrye		250.00				250.00				
Vanderhill-McCurcher		500.00				500.00				
Co Council FCE-Patte		500.00				500.00				
Co Council FCE-Curtl		500.00				500.00				
Guide Posts-Luckett		750.00				750.00				
Vanderhill-Watson		500.00				500.00				
TFSA Sch-Braden		500.00				500.00				500.00
FCE Club-Braden		500.00				500.00				500.00
Sponsors-Daughdhill		900.00					597.00			500.00
Lake Providence-Flem		500.00								100.00
Senior Sch-Baty		100.00								500.00
TOTAL SCHOLARSHIPS AND FELLOWSHIPS	\$ 5,310.70	\$ 6,652,147.49	\$ 195.00	\$ -	\$ 25,870.00	\$ 6,602,836.14	\$ 23,028.92	\$ -	\$ -	\$ 5,918.23
TOTAL EDUCATION AND GENERAL	\$ 323,967.02	\$ 9,454,339.40	\$ 195.00	\$ 61,859.70	\$ 154,487.49	\$ 8,624,086.53	\$ 672,764.16	\$ 14,877.86	\$ -	\$ 374,145.08
TOTAL RESTRICTED FUNDS	\$ 323,967.02	\$ 9,454,339.40	\$ 195.00	\$ 61,859.70	\$ 154,487.49	\$ 8,624,086.53	\$ 672,764.16	\$ 14,877.86	\$ -	\$ 374,145.08

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE FOR CHANGES IN FUND BALANCE - LOAN FUNDS
 For the Year Ended June 30, 2006
 Unaudited

INSTITUTIONAL LOAN FUNDS

Principal 7/1/05	ADDITIONS			Deductions	Balance 6/30/06	FUND ASSETS	
	Gifts & Grants	Interest	Other			Notes Receivable	Cash & Investment
\$ 1,008.90	\$ -	\$ -	\$ -	\$ 1,008.90	\$ -	\$ -	\$ -

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE FOR CHANGES IN FUND BALANCE - ENDOWMENT FUNDS
 For the Year Ended June 30, 2006
 Unaudited

INSTITUTIONAL ENDOWMENT FUNDS

Principal 7/1/05	ADDITIONS			Deductions	Balance 6/30/06	FUND ASSETS	
	Gifts & Grants	Income Added to Principal	Other			Interest Receivable	Principal
\$ 4,739.67	\$ -	\$ -	\$ -	\$ -	\$ 4,739.67	\$ -	\$ 4,739.67

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCE
 UNEXPENDED PLANT FUNDS
 For the Year Ended June 30, 2006
 Unaudited

Schedule 7

FUNDS FOR UNEXPENDED PLANT FUNDS	Total Project Budget	Balance 7/1/05	Investment Income	ADDITIONS		DEDUCTIONS		Balance 6/30/06
				Transferred from Current Funds	Other (Footnotes)	Expended for Plant Funds	Other (Footnotes)	
Extraordinary Maintenance		\$ 257,474.72	\$ 12,274.92	\$ 394,511.31	\$ 60,130.00	\$ 1,054,824.57	\$ 170,635.61	\$ 269,749.64
Off Campus Development		447,964.68			0.04			731,970.38
Biotechnology Lab		23,366.96					23,367.00	
UPS Panel		27,763.36						27,763.36
Awnings		1,706.00			(0.17)			1,706.00
Cooling Tower Repair		900.17						
Greenhouse		6,493.18					900.00	3,703.18
Fire and Security Repair		121,441.83	5,199.83	368,600.00	933,791.86	1,054,824.57	26,502.62	100,139.04
Science Labs		1,595,780.00	39,598.96		121,500.00	51,750.00	0.04	1,882,946.21
Exterior Sign							69,750.00	
Utilization Migration				100,000.00			25,516.06	74,483.94
	\$ -	\$ 2,482,890.90	\$ 57,073.71	\$ 863,111.31	\$ 1,115,421.73	\$ 1,106,574.57	\$ 319,461.33	\$ 3,092,461.75
Projects-In-Progress								
Nashville Tech-Cookeville Center	\$10,969,138.60	\$ 409,027.05						\$ 407,095.87
NSCC-Site Remediation	350,000.00	2,639.39						2,639.39
NSCC-ADA Improvements	53,442.00	5,268.37						5,268.37
NSCC-Infrastructure Replacement	170,000.00	14,781.68					25.00	14,756.68
NSCC-Several Buildings Roof/Replacement	250,000.00				\$ 250,000.00		16,052.00	233,948.00
Total Projects-In-Progress	\$11,792,580.60	\$ 431,716.49	\$ -	\$ -	\$ 250,000.00	\$ -	\$ 18,008.18	\$ 663,708.31
Other	\$ -	\$ -	\$ -	\$ -	\$ 970,270.51	\$ 970,270.51	\$ -	\$ -
Capital Projects Administrative Costs	\$ -	\$ -	\$ -	\$ -	\$ 13,342.45	\$ -	\$ 13,342.45	\$ -
Adjustment for Unexpended		\$ (431,716.49)			\$ 18,008.18		\$ 250,000.00	\$ (663,708.31)
TOTAL FUNDS FOR UNEXPENDED PLANT FUNDS	\$11,792,580.60	\$ 2,482,890.90	\$ 57,073.71	\$ 863,111.31	\$ 2,367,042.87	\$ 2,076,845.08	\$ 600,811.96	\$ 3,092,461.75
(1) Other Additions		\$ 60,130.00				\$ 121,500.00		
Transfer from Exterior Sign		0.04				23,367.00		
Transfer from Science Labs		(0.17)				900.00		
Transfer to Science Labs		933,791.86				0.04		
Transfer from (Bio Tech Lab, Cooling Tower & Inst. Equipment (R&R))						60,130.00		
Transfer from Off Campus Development						113,564.29		
Total		\$ 1,115,421.73				\$ 319,461.33		
(2) Other Deductions						\$ 18,008.18		
Transfer to Exterior Sign						121,500.00		
Transfer to Science Labs						23,367.00		
Transfer to Science Labs						900.00		
Transfer to Bio Tech Lab						0.04		
Transfer to Off Campus Dev						60,130.00		
Expended for Non-Capital						113,564.29		
Total						\$ 319,461.33		
New Capital Appropriations	\$ 250,000.00					\$ 18,008.18		
Other	\$ 970,270.51					\$ -		
Capital Administrative Costs	\$ 13,342.45					\$ 13,342.45		

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN FUND BALANCE
 FUNDS FOR RENEWAL AND REPLACEMENT
 For the Year Ended June 30, 2006
 Unaudited

Schedule 8

	ADDITIONS			DEDUCTIONS		Balance 6/30/06
	Balance 7/1/05	Investment Income	Transferred from Current Funds	Other (Footnotes)	Expended for Plant Funds	
FUNDS FOR RENEWAL AND REPLACEMENT						
Computer Equipment	\$ 517,163.85	\$ 23,003.08	\$ 10,400.00	\$ 85,000.00	\$ 39,051.25	\$ 473,742.61
Bookstore	58,180.00	2,771.88		5,750.00	35,862.47	71,351.88
Motor Vehicles	54,567.77	2,464.71		25,940.00	306,458.23	26,920.01
Telephone System	441,943.32	15,120.00		100,000.00	43,764.00	175,784.91
Institutional Computing	774,897.50					720,409.08
Computer Equipment - Industry	69,037.55					32,827.90
TAF Equipment	68,998.36		57,740.00			126,738.36
Inst. Equipment	1,718,820.00	81,952.97	1,256,667.00			2,148,731.97
Software Replacement & Related Expenses	2,557,024.73				73,355.60	2,268,926.04
TOTAL FUNDS FOR RENEWAL AND REPLACEMENT	<u>\$6,260,633.08</u>	<u>\$ 125,312.64</u>	<u>\$1,324,807.00</u>	<u>\$ 216,690.00</u>	<u>\$ 498,491.55</u>	<u>\$1,383,518.41</u>
				(1)		(2)
(1) Other Additions						
Equipment User Charges	\$	216,690.00				
(2) Other Deductions						
Expended for Non-Capital Items						474,810.41
Transferred to Science Labs						908,708.00
Total						<u>\$ 1,383,518.41</u>

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE

SCHEDULE OF CHANGES IN FUND BALANCES
 Funds for the Retirement of Indebtedness
 For the Year Ended June 30, 2006

	Balances July 1, 2006	Additions			Deductions			Balances June 30, 2006
		Investment Income	Mandatory Transfers (Footnote)	Other Additions (Footnote)	Retirement of bonds	Interest	Trustee Service Charges	
Bond Authority Projects								
Chiller Conversion	\$ 27,840.80		\$ 16,200.00		\$ 9,004.65	\$ 3,522.82		\$ 31,513.33
Total Funds for the Retirement of Indebtedness	\$ 27,840.80		\$ 16,200.00		\$ 9,004.65	\$ 3,522.82		\$ 31,513.33

Footnotes:

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF CHANGES IN INVESTMENT IN PLANT
 For the Year Ended June 30, 2006
 Unaudited

	Book Value 7/1/05	ADDITIONS			DEDUCTIONS		Book Value 6/30/06
		Current Funds	Unexpended Funds	Other (Footnotes)	Other (Footnotes)		
LAND							
Campus	\$ 1,340,140.00						\$ 1,340,140.00
TOTAL LAND	\$ 1,340,140.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,340,140.00
BUILDINGS							
Administration	\$ 1,131,965.57						\$ 1,131,965.57
Classroom Weld	2,637,456.68						2,637,456.68
Cafeteria	545,928.77						545,928.77
Maintenance	1,194,275.58						1,194,275.58
Classroom Clement	3,379,092.58						3,379,092.58
Library Building	4,105,449.57						4,105,449.57
Cookeville Building	8,075,433.11						8,075,433.11
TOTAL BUILDINGS	\$21,069,601.86	\$ -	\$ -	\$ -	\$ -	\$ -	\$21,069,601.86
IMPROVEMENTS OTHER THAN BUILDINGS	\$ 1,577,382.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,577,382.21
EQUIPMENT							
Education and General	\$ 3,229,082.46	\$ 192,722.57	\$ 51,750.00	\$ 445,085.55	\$ 319,972.20	\$ 3,598,668.38	
TOTAL EQUIPMENT	\$ 3,229,082.46	\$ 192,722.57	\$ 51,750.00	\$ 445,085.55 (1)	\$ 319,972.20 (2)	\$ 3,598,668.38	
LIBRARY HOLDINGS	\$ 663,217.57	\$ 59,501.73	\$ -	\$ -	\$ 98,033.52 (2)	\$ 624,685.78	
SOFTWARE	\$ -	\$ -	\$ -	\$ 616,682.59 (1)	\$ -	\$ 616,682.59	
PROJECTS-IN-PROGRESS							
Banner (Software)	\$ 563,276.59		\$2,025,095.08		\$ 563,276.59 (2)	\$ 2,244,824.57	
A Building (Science Labs)	219,729.49		\$2,025,095.08		\$ 563,276.59	\$ 2,244,824.57	
TOTAL PROJECTS-IN-PROGRESS	\$ 783,006.08	\$ -	\$2,025,095.08	\$ -	\$ 563,276.59	\$ 2,244,824.57	
TOTAL INVESTMENT IN PLANT	\$28,662,430.18	\$ 252,224.30	\$2,076,845.08	\$1,061,768.14 (1)	\$ 981,282.31 (2)	\$31,071,985.39	
(1) Other Additions							
Additions from Renewals & Replacements	\$ 445,085.55					\$ 319,972.20	
Additions from Renewals & Replacements	53,406.00					98,033.52	
Transfer from Projects-in-Progress	563,276.59					563,276.59	
Total Other Additions	\$ 1,061,768.14					\$ 981,282.31	
(2) Other Deductions							
Equipment Deletions							
Library Purchase Deletions (1997)							
Transfer to Software							
Total Other Deductions							

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
SCHEDULE OF REVENUES AND EXPENDITURES - BOOKSTORE CONTRACT
FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

REVENUES		
Other Revenue-Commissions	\$ 223,981.21	
TOTAL REVENUES	\$ 223,981.21	\$ 223,981.21
EXPENDITURES AND TRANSFERS		
Expenditures	\$ 3,463.89	
Nonmandatory Transfers	10,400.00	
TOTAL EXPENDITURES AND TRANSFERS	\$ 13,863.89	\$ 13,863.89
EXCESS REVENUES OVER EXPENDITURES		\$ 210,117.32

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF INVESTMENTS BY FUND GROUPS
 FOR THE YEAR ENDED JUNE 30, 2006
 Unaudited

Appendix II

	Value	OWNERSHIP BY FUND					Agency
		Current Unrestricted	Auxiliary Enterprises	Endowment	Unexpended Plant	Renewal & Replacement	
INVESTMENTS-SHORT TERM							
Local Government Investment Pool	\$ 14,352,335.11	\$6,896,387.72	-	\$ 4,739.67	\$ 329,504.93	\$7,121,702.79	\$ 36,371.86
Foundation-LGIP	36,371.86						36,371.86
Foundation-Mutual Funds	335,847.49						335,847.49
TOTAL INVESTMENTS	<u>\$ 14,724,554.46</u>	<u>\$6,896,387.72</u>	<u>\$ -</u>	<u>\$ 4,739.67</u>	<u>\$ 329,504.93</u>	<u>\$7,121,702.79</u>	<u>\$ 335,847.49</u>

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES BY OBJECT
For the Year Ended June 30, 2006

Appendix III

	E&G		Auxiliaries		Total	Prior Year Total
	Unrestricted	Restricted	Unrestricted	Restricted		
PERSONAL SERVICES						
Admin/Professional Salaries	\$ 2,338,645.58				\$ 2,708,283.48	\$ 3,701,141.13
Acad/Professional Salaries	9,042,133.07				9,209,003.16	8,746,884.22
Clerical & Support Salaries	3,161,467.15				3,302,376.75	3,017,517.77
Student Salaries	46,068.30				688,622.12	717,055.77
Admin/Professional Support Salaries	1,136,560.22				1,136,560.22	
TOTAL PERSONAL SERVICES	<u>\$ 15,724,874.32</u>				<u>\$ 17,090,914.03</u>	<u>\$ 16,182,598.89</u>
EMPLOYEE BENEFITS						
Retirement Contributions	\$ 800,584.81				\$ 826,279.71	\$ 801,113.75
Optional Retirement Contributions	560,026.06				33,943.09	533,436.57
FICA Contributions	1,151,605.86				1,212,082.70	1,157,906.68
Group Insurance	2,127,112.98				60,476.84	1,944,735.19
Unemployment	18,118.73				61,733.14	34,826.54
Staff Benefits	95,552.65				2,502.00	79,257.56
401K Matching	85,413.51				2,638.49	49,880.43
Compensated Absences	55,872.72				4,617.56	47,108.83
Other	77,981.22				88,052.00	16,985.13
TOTAL EMPLOYEE BENEFITS	<u>\$ 4,972,268.54</u>				<u>\$ 5,163,874.56</u>	<u>\$ 4,685,250.68</u>
OTHER EXPENDITURES						
Travel	\$ 134,368.91				\$ 35,297.11	\$ 198,311.72
Printing, Duplicating, & Film Processing	165,995.73				7,076.35	171,974.45
Communication & Shipping Costs	411,339.42				826.18	248,235.63
Maintenance Repairs & Service	284,266.62				60.97	206,121.73
Professional/Administrative Services	3,443,814.79				166,363.93	3,190,555.28
Supplies	1,571,917.25				114,020.35	1,592,458.38
Rentals and Insurance	205,508.34				4,752.14	209,337.69
Awards and Indemnities	389,083.58				6,723,791.91	6,709,332.78
Grants and Subsidies	177,452.03				13,644.10	192,754.63
Other Services and Expenses	142,067.07				436.62	311,636.71
Utilities and Fuel	646,063.28				172.14	571,007.67
Motor Vehicle Operations	21,145.37				172.14	37,540.54
Data Processing Allocation	(1,811,498.65)				(1,811,498.65)	(1,303,302.28)
Equipment	192,722.57				192,722.57	184,067.39
Library Holdings and Bindings	59,501.73				59,501.73	64,122.91
Transfers and Debt Service	2,193,718.31				10,400.00	2,470,314.00
TOTAL OTHER EXPENDITURES	<u>\$ 8,227,465.35</u>				<u>\$ 7,086,440.80</u>	<u>\$ 15,054,469.23</u>
TOTAL EXPENDITURES BY OBJECT	<u>\$ 28,924,608.21</u>				<u>\$ 37,562,558.63</u>	<u>\$ 35,902,318.80</u>

NASHVILLE STATE TECHNICAL COMMUNITY COLLEGE
 SCHEDULE OF BONDS PAYABLE
 For the Year Ended June 30, 2006

Appendix IV

	Date of Issue	Due Serially to	Balances		Interest Rate %	Interest Paid Maturity	Amount	Bonds and		Other	Balances
			July 1, 2005	June 30, 2006				Notes Retired	June 30, 2006		
Bonds											
Tennessee State School Bond Authority											
Chillers CFC Conversion	April 2002	May 2012	\$ 73,347.50		4.5%-5%	Nov.-May	\$ 3,522.82	\$ 9,004.65			\$ 64,342.85
			\$ 73,347.50	\$ -			\$ 3,522.82	\$ 9,004.65	\$ -		\$ 64,342.85
Total Tennessee State School Bond Authority			\$ 73,347.50	\$ -			\$ 3,522.82	\$ 9,004.65	\$ -		\$ 64,342.85
Total Bonds Payable			\$ 73,347.50	\$ -			\$ 3,522.82	\$ 9,004.65	\$ -		\$ 64,342.85

