





DALLAS COLLEGE





CELEBRATING 60 YEARS 1965 2025 DALLAS COLLEGE

Annual Comprehensive Financial Report

For the Fiscal Years Ended
August 31, 2025 and 2024

Dallas County, Texas

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DALLAS COLLEGE

DALLAS COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

PREPARED BY

DALLAS COLLEGE OFFICE OF FINANCE

DALLAS COLLEGE

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	1
Organizational Data	2
Organizational Chart	3
A Letter from the Chancellor	4
Transmittal Letter	7
GFOA Certificate of Achievement	12
FINANCIAL SECTION	13
Independent Auditor's Report	14
Management's Discussion and Analysis (Unaudited)	17
Financial Statements	33
Statements of Net Position (Exhibit 1)	34
Statements of Financial Position – Foundation (Exhibit 1A)	35
Statements of Revenues, Expenses, and Changes in Net Position (Exhibit 2)	36
Statements of Activities – Foundation (Exhibit 2A)	37
Statements of Cash Flows (Exhibit 3)	39
Notes to the Financial Statements	41
Required Supplementary Information	120
Required Schedules for Net Pension Liability	121
Schedule of College's Share of Net Pension Liability (Schedule G)	122
Schedule of College's Contributions (Schedule H)	123
Notes to Schedules for Net Pension Liability	124
Required Schedules for Net Other Post Employment Benefits Liability	126
Schedule of College's Share of Net Other Post Employment Benefits Liability (Schedule I)	127
Schedule of College's Contributions to Other Post Employment Benefits Liability (Schedule J)	128
Notes to Schedules for Net Other Post Employment Benefits Liability	129
Supplementary Information	130
Supplementary Schedules for Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position	131
Schedule of Operating Revenues (Schedule A)	132
Schedule of Operating Expenses by Object (Schedule B)	133
Schedule of Non-operating Revenues and Expenses (Schedule C)	134
Schedule of Net Position by Source and Availability (Schedule D)	135
Texas Education Agency Required Schedules	136
J4 Schedule of State Allotment Program Funds	137
Schedule of Real Property Ownership	138
Schedule of Related Party Transactions	139

DALLAS COLLEGE

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

STATISTICAL SECTION (UNAUDITED) 140

Table of Contents 141
Statistical Charts 142

Schedules for Federal and State Single Audit 167
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 168
Independent Auditor's Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance and the State of Texas Grant Management Standards 170
Schedule of Expenditures of Federal Awards (Schedule E) 173
Schedule of Expenditures of State Awards (Schedule F) 176
Notes of Schedules of Expenditures of Federal and State Awards 177
Schedule of Findings and Questioned Costs 182

INTRODUCTORY SECTION

DALLAS COLLEGE

ORGANIZATIONAL DATA
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

BOARD OF TRUSTEES

DISTRICT	TRUSTEE	TERM EXPIRES
1	Dr. Catalina Garcia	2030
2	Mr. Philip J. Ritter	2028
3	Mr. Paul Mayer, Chair	2028
4	Ms. Monica Lira Bravo	2028
5	Mr. Cliff Boyd, Vice Chair	2026
6	Ms. Diana Flores	2026
7	Dr. Kesha Nicholas O'Reilly	2030

ADMINISTRATIVE OFFICERS

Dr. Justin Lonon	Chancellor
Mr. Louis Burrell	Chief Human Resources Officer
Ms. Lori Cox	Chief Internal Auditor
Dr. Shawnda Floyd	Provost & Vice Chancellor of Workforce Education
Mr. Juan Garcia	Chief of Staff & Vice Chancellor of External Affairs (Interim)
Dr. Beatriz Joseph	Vice Chancellor of Student Success
Mr. Russ Pearlman	Chief Information Officer
Ms. Tiska Thomas	Chief Financial Officer
Mr. Robert Wendland	General Counsel
Dr. Bradford Williams	Vice Chancellor of Operations
Mr. Scott Wright	Chief Facilities Officer

Chancellor

Dr. Justin Lonon

Academics & Workforce Education
Dr. Shawnda Floyd

- Career Connected Learning
- Academic Services
- Workforce Education
- Educational Partnerships
- Academic Initiatives
- E-Learning
- International Engagement & Global Competitiveness
- School of Engineering, Technology, Math & Sciences
- School of Law & Public Service
- School of Education
- School of Manufacturing Industrial Technologies
- School of Business, Hospitality & Global Trade
- School of Creative Arts, Entertainment & Design
- School of Health Sciences

Student Success
Dr. Beatriz Joseph

- Student Success
- Enrollment Management
- Research Institute
- Strategic Analytics
- Wellbeing & Social Support
- Athletics
- Student Life and Engagement

Operations
Dr. Bradford Williams

- Finance
- Institutional Effectiveness
- Government Relations
- Facilities
- Human Resources
- Veterans Affairs Compliance
- Technology
- Strategic Initiatives
- Continuous Improvement
- Marketing
- Digital Engagement
- Advancement & Innovation

Office of General Counsel
Robert Wendland

- Legal
- Safety & Security
- Risk Management
- Internal Audit
- Institutional Equity and Compliance
- Business Continuity

Office of the Chancellor
Dr. Justin Lonon

- Brookhaven
- Board Relations
- Cedar Valley
- Mountain View
- Eastfield
- North Lake
- El Centro
- Richland
- Dallas College Foundation
- External Affairs

December 2, 2025



Justin Lonon
Chancellor

On behalf of Dallas College and the community of Dallas County, I am pleased to submit to the members of the Dallas College Board of Trustees our Annual Comprehensive Financial Report (ACFR) for the fiscal years 2024-2025, which ended August 31, 2025.

Thanks to your leadership as members of our Board of Trustees – and your commitment to the College's fiduciary responsibilities – we continue to sustain a strong fiscal position and to provide services and programs which help ensure that Dallas County is vibrant, growing, and economically stable for future generations. Dallas College's tuition and property tax rates continue to rank among the lowest among Texas community colleges. We strive to offer a quality education and make it accessible at the best possible value for our students and the citizens of Dallas County.

We know that student and community success is vital to the prosperity of Dallas County, and we are involved in a number of programs that support their success. I would like to share several key examples:

- Dallas College partners with school districts, private and charter school systems to offer dual credit learning opportunities, with a 24% increase in dual credit headcount from 2018-19 to 2024-25 (from 25,558 to 31,735 unduplicated students enrolled). Dallas College offers 64 College and Career Readiness School Model programs approved by the Texas Education Agency including 20 Dallas College Early College High Schools (ECHS) and 44 Pathways in Technology Early College High School (P-TECH) programs providing pathways to certificates and degrees for students. The enrolled students can pursue both a high school diploma and an associate degree at no cost to them or their families. In the 2024-25 academic year, 2,267 associate degrees and 1,019 certificates were awarded to high school dual credit graduates by Dallas College, a total of 3,286 awards.

- Dallas College graduated 185 students with Bachelor of Applied Science in Early Childhood Education and Teaching. In addition, 24 students graduated with a Bachelor's degree in Nursing. These students represent the first cohort of students to receive this baccalaureate degree from the institution.

- The Dallas County Promise program enrolled 6,445 students for the Fall 2025 semester. This program removes the financial barrier to college and is helping to transform students'

perspective on college access. In partnership with the Dallas College Foundation, the Dallas County Promise program is now open to high school seniors from 82 area high school.

- Throughout 2024-2025, Dallas College brought the Learner Care Model to over 50 high schools across Dallas County. In addition to serving our future students, who are finishing their high school journey, Dallas College also launched enrollment events at each campus for our adult learners. These events served nearly 3,000 students and helped the College achieve an enrollment growth of 7% for our First Time in College Students in Fall 2025. Additionally, the College saw enrollment growth among international students of 25%, approximately 3,000 students, over Fall 2024, which is third in the nation for community colleges according to the 2025 Open Doors Report. Not only is Dallas College busting barriers to support new students in their enrollment, the College is busting barriers in persistence and retention metrics as well. Some key highlights include:

    - Reduction in time to degree from 4.2 years in 2018 to 3.6 years.
    - Reduction in average credit hours at time of completion from 85 credit hours 2018 to 73 credit hours.
    - 78% persistence rate from Fall 2024 to Spring 2025 – the highest persistence rate in Dallas College history.

- In spring of 2025, Dallas College was awarded $6 million by the Texas Education Agency to launch the Center for Reigniting the Educator Workforce (CREW). The initiative will address the critical shortage of certified educators across Texas and serve as the statewide hub for developing and expanding teacher apprenticeships statewide by providing resources and guidance aligned to the priorities of the Tri-Agency Work Group. CREW will support school systems and institutions of higher education in building high-quality teacher apprenticeships that manage the financial burden and make it possible for aspiring educators to become teachers. The CREW at Dallas College will serve as a key resource for regional hubs and apprenticeship collaborators, the college said. According to Dallas College, it will provide tools, training and technical assistance to support partnerships in designing apprenticeship pathways that meet an acute workforce need and in sustainably funding these pathways.

  The work has been informed by the Governor's Teacher Vacancy task force and builds upon Texas' existing talent pipeline investments—including Grow Your Own and Texas Strategic Staffing—that are aimed at strengthening the teacher talent pipeline.

- Dallas College, as a catalyst for economic mobility, was awarded significant funding to support workforce development across multiple sectors. Dallas College secured a combined $8.25 million in federal funding to combat local healthcare shortages, split between a $5.75 million Department of Labor ("DOL") grant for regional workforce training and a $2.5 million Health Resources and Services Administration ("HRSA") grant dedicated to nursing education. In collaborations with Tarrant County College, Hill College, and Navarro College, the DOL funds will lead an effort to expand career pathways for underserved communities, while the HRSA grant provides nursing students with direct scholarships, stipends, and essential resources like laptops. Together, these initiatives aim to remove financial barriers and rapidly increase the supply of skilled professionals in North Texas.

- The Board of Trustees authorized an election for the issuance of $1.1 billion of general obligation bonds that was overwhelmingly supported by the taxpayers of Dallas County in 2019. The first tranche of general obligation bonds was issued in January 2023 for $325.8 million in support of Phase 1. The proceeds have been used to add new instructional buildings at multiple campuses across the College. Also, we are in the early stages of planning a new downtown education and innovation district to support the needs of Dallas area businesses and entrepreneurs. The bonds will be issued over the next two to eight years to maintain the same debt service tax rate.

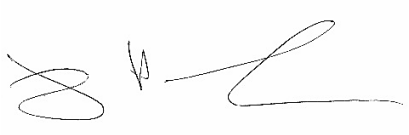
As I have mentioned before, the jobs and workforce of the future will all require some postsecondary education. Dallas College is a viable educational partner with businesses and the communities we serve. We will continue to find ways to help students succeed, earn credentials that help them earn a living wage, and support their families and communities.

During the 88th Texas Legislative Session, the Legislature approved a budget that provided an increase to community college funding. The new funding model is largely based on performance funding that concentrates on completion metrics instead of enrollment. The budget also provided additional funding for disadvantaged dual credit students and the Texas Education Opportunity Grant (TEOG). The changes were favorable to Dallas College as we continue to support the statewide initiative of the 60x30TX plan.

We are continuing the work with our community partners to create relationships that are compassionate, inclusive, and innovative. Those partnerships are born out of the Dallas College culture and elevate the College's readiness to meet the demands of our growing workforce.

Again, I want to thank you, our Board of Trustees, for your leadership and support. I appreciate your dedication and direction as well as our faculty and staff who make a difference in the lives of our students. Together, we will do our best to continue to build for the future together.

Respectfully,



Justin Lonon
Chancellor

December 2, 2025

To the Board of Trustees and the Citizens of Dallas County:

Respectfully submitted for your review is the annual comprehensive financial report for Dallas College (College) for the fiscal years ended August 31, 2025, and 2024. The purpose of this report is to provide detailed information about the financial condition and performance of the College. Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatement. The concept of reasonable assurance ensures that the costs of the controls do not exceed the benefits derived.

Annual Comprehensive Financial Report

Dallas College's annual comprehensive financial report (ACFR) is prepared by the Office of Finance in accordance with Generally Accepted Accounting Principles as established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges as set forth by the Texas Higher Education Coordinating Board (THECB). The Notes to the Financial Statements are considered essential to fair presentation and adequate disclosure of this financial report. The Notes are treated as an integral part of the financial statements and should be read in conjunction with them. Additionally, attention should be given to Management's Discussion and Analysis that provides the reader with a narrative introduction, overview, and analysis of the financial statements.

Reporting Entity

The College is a special-purpose government engaged solely in business-type activities (BTA). In compliance with GASB Statements No. 34 and No. 35, as amended, this reporting model is intended to make government financial statements similar to corporate financial statements. It also serves to make the financial statements more comparable across organizations.

The Dallas College Foundation, Inc. (Foundation) has been discretely presented in the College's statements as a component unit by inclusion of the statements and footnotes of the Foundation in the College's statements and footnotes. Because the financial statements of the Foundation are presented in a different format from the College and are incompatible with the College's financial statements, the Foundation's financial statements are presented on separate pages from the College's financial statements. The Foundation is a non-profit organization established in 1973 with its sole purpose being to provide benefits such as scholarships and grants to Dallas College.

Richland Collegiate High School (RCHS) began its first full year of operations in the fiscal year ended August 31, 2007. RCHS was granted a charter by the Texas Education Agency (TEA) in October 2005. The Board of Trustees of Dallas College subsequently approved the charter in May 2006. RCHS receives state reimbursement based on average daily attendance. TEA requirements

necessitate tracking RCHS revenues and expenses separately from those of the College. Because the high school contracts with the College for instructional and administrative services, the legal identity is the same as the College. RCHS shares the same Board of Trustees with Dallas College and RCHS is included as an operating unit in the College's financial statements. On March 5, 2024, the Dallas College Board of Trustees voted to return the RCHS charter to the Texas Education Agency, effective August 31, 2025. We are currently in the closeout process and it is expected to be completed in fiscal year 2025-2026. More information can be found in Note 27, including Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, Statements of Cash Flows, and other schedules.

Organization of Dallas College

In 1965, Dallas County voters created the Dallas County Junior College District and began operations at El Centro College in 1966 in downtown Dallas. An additional six colleges were added to the district between 1970 and 1978. In 2020, Dallas College received approval to consolidate the seven colleges into one college with seven campuses:

- El Centro Campus (1966) – main campus for accreditation and student aid purposes
- Eastfield Campus (1970)
- Mountain View Campus (1970)
- Richland Campus (1972)
- Cedar Valley Campus (1977)
- North Lake Campus (1977)
- Brookhaven Campus (1978)

A seven-member Board of Trustees is the governing body of the College. The Trustees are elected from single member districts for staggered six-year terms. The Chief Executive Officer of the College is the Chancellor. The Chancellor's executive staff, comprised of the provost, vice chancellors, general counsel, chief officers, and campus presidents, is responsible for the management and daily operation of the College.

Mission and Values

The mission of Dallas College is to transform lives and communities through higher education. Our purpose is to ensure that Dallas is vibrant, growing and economically viable for future generations. The Board of Trustees has established the strategic priorities of:

- Student Success
- Exceptional Workplace
- Workforce Ready
- Economic Mobility
- Inclusive Excellence
- Smart Resource Use

The Board has developed strategic priorities and initiatives that engage and impact individuals, communities, business sectors, employers, and organizations within each of the strategic priorities.

Together, our campuses enroll more undergraduate (freshman and sophomore) students than any other college, university or community college system in the state of Texas. Since 1965, we have served more than 3 million students by providing:

- The first two years of a bachelor's degree as well as complete bachelor's degrees in Applied Science in Early Childhood Education and Teaching, Applied Technology in Software

Development, and Nursing. Applied Science in Management application has been submitted.
- More than 100 high-demand career programs
- Enrichment and certification classes for a lifetime of learning
- Professors who are dedicated to student success, not a research grant
- Unparalleled quality at a tuition that students can afford

Our student population is 15 percent Anglo, 45 percent Hispanic, 19 percent African American, 8 percent Asian, and 13 percent all others combined.

Economic Conditions and Outlook

Other than Federal grants used for scholarships, Dallas College has three main sources of operating revenue:

- Ad Valorem Taxes – increased by $21.8 million due to the taxable assessed value increasing. The tax rate decreased slightly.
- Net Tuition and Fees – increased by $9.4. million due to a full academic year at the new tuition rate as well as an increase in enrollment headcounts offset by increases in dual credit and other enrollment initiatives which provides scholarship of tuition costs to students.
- State Appropriations – increased by $7.0 million. Appropriations for benefits changed due to accounting of pension liability in 2025.

Certified taxable property values increased by 4.6% in fiscal year 2025 driven primarily by market valuations of residential property in Dallas.

In fiscal year 2025, student headcount increased as the College continued its investments in dual credit programs, workforce initiatives, and programs targeting high demand fields in the marketplace.

Operating expenses increased $66.2 million in fiscal year 2025 primarily due to increases in instruction, student services, scholarships and fellowships, and operation and maintenance of plant.

Moody's Investors Service, Inc., Standard & Poor's Rating Services, and Fitch Ratings have all reaffirmed their AAA rating on Dallas College's General Obligation bonds.

Financial Planning and Budgeting

Dallas College's financial planning is comprised of three planning processes for schools of study within the College and campus operations:

- Strategic Plan
- Facilities Master Plan
- Annual Budget, including three-year projections

The annual budget process uses an allocation method based largely on three factors:

- Revenues from tuition and state appropriations
- Performance funding based on strategic initiatives
- Facility operations based on building square footage and condition index

Each school of study receives a lump-sum budget allocation, based on total forecasted State appropriations and tuition revenues. This allocation, together with an allocation of the Colleges' fund balance, makes up the total available resources for each school of study's budget. The Provost is responsible for the development and control of the collective schools budget, expenditures, and allocated resources. Campus facilities are administrated centrally. Facilities initiatives are budgeted based on funding from ad valorem taxes and debt funding. The Board of Trustees approves an operating budget for all operations of the College each fiscal year including any revisions. The Board of Trustees is given updates at least annually on the three-year projections of revenues and expenditures.

The facilities maintenance and improvement plan is developed on a rolling five-year basis and presented to the Board of Trustees. The College completed Facility Master Plans for all campuses which were consolidated into a collegewide plan, prioritized by student needs.

Major Initiatives

In 2020, the Board of Trustees approved the consolidation of seven colleges into one college with multiple campuses. The College completed the consolidation in 2022 and restructured its seven campuses by programs of study. The College continues to improve efficiency, reduce costs, and focus on a student centric model that improves completion and retention while shortening the time to complete a degree or certificate.

In May 2019, the voters authorized $1.1 billion of general obligation bonds to fund the consolidated collegewide projects. The first tranche of general obligation bonds, Series 2023, was issued in January 2023 and has a par amount of $325.8 million.

- All projects will be phased over a 6–8-year period.
- Planning for Phase 2 is currently in process.

Major ongoing initiatives include:

- Updates to all information technology equipment and infrastructure
- Completed Phase 2, the student module, of the new enterprise planning system (ERP)
- Support and hypercare for both Phase 1 and 2 of the new enterprise resource planning system (ERP) that included the finance and human resource modules

Independent Audit

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. The independent firm of certified public accountants of Whitley Penn was selected by Dallas College's Board of Trustees starting in fiscal year 2025. In addition to meeting the State statute requirements, the audit is designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related Uniform Guidance and the state of Texas single audit related to the Uniform Grant Management and Standards Single Audit Circular. The auditors' reports related specifically to the single audit are included in the Schedules for Federal and State Single Audit section of Dallas College's annual comprehensive financial report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the College for its annual

comprehensive financial report for the fiscal year ended August 31, 2024, for the thirteenth consecutive year. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy generally accepted accounting principles and all applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our annual comprehensive financial report for the fiscal year ended August 31, 2025, continues to meet the Certificate of Achievement program's requirements, and we will be submitting it to the GFOA to determine its eligibility for another certificate.

Financial Transparency

The College continues to provide financial information on its website on the Financial Transparency page: https://www.dallascollege.edu/about/financial/transparency/. The site includes current and historical data for budgets, audited annual financial reports, bonds, and property tax information.

Acknowledgement

The staff thanks the Board of Trustees for their integrity, interest, and insight concerning the fiscal operations of the College. Also, we wish to thank the Chancellor and the Chancellor's executive staff for their responsible fiscal approach. The timely completion of this report was made possible by the dedication and hard work of the entire Finance staff. We would also like to thank the accounting firm of Whitley Penn for their assistance with the audit.

Respectfully submitted,



Tiska S. Thomas,
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Dallas College
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024



Executive Director/CEO

FINANCIAL SECTION

whitleypenn

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Dallas College

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of Dallas College (the College), as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the College, as of August 31, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the discretely presented component unit financial statements of the Dallas College Foundation (the Foundation) as of and for the year ended August 31, 2025. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller general of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards.*

We are required to be independent of the College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matter

The financial statements of Dallas College as of and for the year ended August 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements under auditing standards generally accepted in the United States of America and *Government Auditing Standards* on December 3, 2024.

Responsibilities of Management for the Financial Statements

The College's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Supplemental Schedules A through D, as required by the Texas Higher Education Coordinating Board's (THECB) *Budget Requirements and Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges,* the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the Schedule of Expenditures of State Awards*,* as required by the State of Texas Grant Management Standards (TxGMS), and the Texas Education Agency Required Schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Schedules A through D, the Schedule of Expenditures of Federal Awards, the Schedule of Expenditures of State Awards, and the Texas Education Agency Required Schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Whitley Penn LLP

Dallas, Texas
December 2, 2025

DALLAS COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

(UNAUDITED)

Management's discussion and analysis of the annual financial statements of Dallas College (College) is designed to help readers understand some of the conditions and events contributing to the current financial position of the College as well as to point out trends and changes in the results of operations. Please read it in conjunction with the Chancellor's letter, the transmittal letter, the College's basic financial statements, and notes to the financial statements. Responsibility for the completeness and fairness of this information rests with the College. For purposes of the summary and discussion, the terms "2025", "2024", and "2023" refer to fiscal years ended August 31, 2025, August 31, 2024, and August 31, 2023, respectively.

FINANCIAL HIGHLIGHTS FOR 2025

- Total assets for 2025 were $1,761.7 million, decreasing by $46.0 million from 2024 due to payment of bonds and purchase of investments. Total liabilities decreased $63.3 million during 2025 primarily as a result of a decrease in bonds payable. Deferred outflows of resources were $68.7 million and deferred inflows of resources were $74.8 million.
- Net position at August 31, 2025 was $920 million, which was an increase of $33.5 million over 2024.
- Total operating revenues in 2025 were $132.4 million, up $29.2 million primarily due to tuition and fee revenues, which were up $9.4 million. Operating expenses were $820.7 million, up $66.2 million from 2024 primarily due to increases in student services, institutional support, instruction, scholarships and fellowships, depreciation, and amortization. Net non-operating revenues (expenses) were $721.8 million, an increase of $47.6 million primarily attributed to increases in ad valorem taxes and Investing earnings decrease offset by transfer of fiscal 2025 sale proceeds to the Foundation in other non-operating revenues to fund scholarships.
- Bond balances decreased $75.7 million reflecting scheduled payments and amortization of premiums. Principal payments on bonds increased $14.8 million in 2025 as compared to 2024. In May 2019, Dallas County taxpayers approved Dallas College to issue a bond package totaling $1.1 billion. The first tranche of General Obligation bonds of $325.8 million were issued in 2023. The proceeds from this issuance were used to fund projects in Phase 1.
- As required by the Governmental Accounting Standards Board (GASB), the College implemented Statement No. 96 – Subscription-Based Information Technology Arrangements (SBITA) which resulted in the retroactive capitalization net of accumulated amortization of SBITAs totaling $41.3 million. A corresponding subscription liability, both current and non-current was also recorded totaling $38.7 million. GASB Statement No. 101 restatement decreased net position by $1.8 million, and GASB Statement No. 87/96 restatement increased net position by $1.4 million, which was recorded as a restatement of prior year's net position.

OVERVIEW OF FINANCIAL STATEMENTS

Dallas College offers higher education and workforce training to Dallas County, Texas and surrounding communities in North Texas. In 2020, Dallas College reorganized its seven previously separate colleges into one accredited college with seven primary campuses. The campuses of the College are:

- El Centro Campus (1966)
- Eastfield Campus (1970)
- Mountain View Campus (1970)
- Richland Campus (1972)

- Cedar Valley Campus (1977)
- North Lake Campus (1977)
- Brookhaven Campus (1978)

The College qualifies as a special-purpose government engaged in business-type activities according to the definition in Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, and the financial statements are prepared on that basis. The resulting financial statement format focuses on the College as a whole. The basic financial statements are designed to emulate the corporate presentation model whereby the College's fiscal activities are consolidated into one column total. Comparative data from the prior year is shown in a separate column on the face of each of the statements.

The financial position is presented as of August 31, 2025 and 2024 and consists of three primary statements: Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; and Statements of Cash Flows. As required by GASB Statement No. 34*, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, an accrual basis of accounting is employed. This means that transactions are recorded as incurred rather than when cash changes hands.

The Dallas College Foundation, Inc. (Foundation) has been discretely presented in the College's financial statements as a component unit by inclusion of the statements and notes of the Foundation in the College's statements and notes per GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*. Because the financial statements of the Foundation are presented in a different format from the College and are incompatible with the College's financial statements, the Foundation's financial statements are presented on separate pages from the College's financial statements. The Foundation is a non-profit organization established in 1973 with its sole purpose being to provide benefits such as scholarships and grants to the College.

The Richland Collegiate High School (RCHS) is operated by the College under a charter issued by the Texas Education Agency (TEA) in October 2005 and approved by the Board of Trustees of the College in 2006. While RCHS receives state reimbursement based on average daily student attendance, the College receives state funding based on the class contact hours. Because RCHS is not a separately incorporated entity and functions as an operating unit of the College, the legal identity of RCHS is the same as the College. In accordance with TEA's requirement for separate financial reporting for the charter school's activities, more information about RCHS can be found in Note 27, including separate Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, Statements of Cash Flows, and other schedules. In March 2024, the Board of Trustees elected to cease operations of RCHS effective August 31, 2025.

Statements of Net Position

The focus of the Statements of Net Position is to illustrate the financial position at a point in time. These statements present the current financial resources (short-term spendable assets) along with assets planned to be held for more than a year. It also shows amounts owed against those assets and reveals the amount of remaining net position available to the College for further endeavors. In order to show the trends for the two years presented in the Statements of Net Position, a summary of three years of data for the fiscal years ended August 31, 2023, through 2025 is presented in Table 1 below.

TABLE 1: CONDENSED STATEMENTS OF NET POSITION
(In Millions)

	Fiscal Year			Change	
	2025	2024	2023	2025 to 2024	2024 to 2023
ASSETS					
Current Assets	$ 304.2	$ 394.4	$ 251.1	$ (90.2)	$ 143.3
Capital Assets, net of depreciation	1,090.1	1,035.4	915.1	54.7	120.3
Other Non-current Assets	367.4	377.9	613.1	(10.5)	(235.2)
Total Assets	1,761.7	1,807.7	1,779.3	(46.0)	28.4
DEFERRED OUTFLOWS OF RESOURCES	68.7	84.5	79.4	(15.8)	5.1
LIABILITIES					
Current Liabilities	184.2	232.1	207.0	(47.9)	25.1
Non-current Liabilities	651.4	666.8	669.7	(15.4)	(2.9)
Total Liabilities	835.6	898.9	876.7	(63.3)	22.2
DEFERRED INFLOWS OF RESOURCES	74.8	106.9	118.1	(32.1)	(11.2)
NET POSITION					
Net Investment in Capital Assets	882.9	873.6	673.5	9.3	200.1
Restricted	193.1	93.0	139.5	100.1	(46.5)
Unrestricted	(156.0)	(80.1)	50.9	(75.9)	(131.0)
Total Net Position	$ 920.0	$ 886.5	$ 863.9	$ 33.5	$ 22.6

Changes in Assets

Current assets decreased by $90.2 million in 2025 compared to 2024, mostly from the cash and cash equivalents category as funds were used for bonds payments and purchases of investments. Accounts receivable decreased by $11.5 million due to a decrease in federal receivables and an increase in receivables allowances.

Current assets increased by $143.3 million in 2024 compared to 2023, mostly from the cash and cash equivalents category as funds were moved from U.S. agency investments to investment pools to take advantage of favorable interest rates. Accounts receivable decreased by $7.6 million due to a decrease in federal receivables and an increase in receivables allowances.

Changes in Deferred Outflows of Resources

Deferred outflows of resources decreased by $15.8 million in 2025 as compared to 2024. Deferred outflows of resources related to pensions decreased by $18.2 million in 2025 compared to 2024 due to the difference between projected and actual investment earnings. Deferred outflows of resources for other post-employment benefits (OPEB) increased $2.9 million in 2025 as a result of changes in actuarial assumptions. Net deferred outflows of resources related to debt decreased $0.5 million for 2025.

Deferred outflows of resources increased by $5.1 million in 2024 as compared to 2023. Deferred outflows of resources related to pensions increased by $6.3 million in 2024 compared to 2023 due to the difference between projected and actual investment earnings. Deferred outflows of resources for other post-employment benefits (OPEB) decreased $0.6 million in 2024 as a result of changes in actuarial assumptions. Net deferred outflows of resources related to debt decreased $0.5 million for 2024.

Changes in Liabilities

Current liabilities decreased by $47.9 million in 2025 due to a $35.9 million decrease in current bonds payable and a $21.9 million decrease in accounts payable. Unearned revenues increased by $3.7 million due to tuition rate increases while accrued compensated absences increased $1.2 million for the year due to increased employee headcount.

Current liabilities increased by $25.1 million in 2024 due to a $6.9 million increase in current bonds payable and a $5.2 million increase in unearned revenues. Accounts payable decreased by $2.6 million due to a decrease in year-end accruals while accrued compensated absences increased $2.0 million for the year due to increased employee headcount.

Non-current liabilities decreased by $15.4 million in 2025 due to a $39.9 million decrease in bonds payable and a $20.7 million increase in net OPEB liability.

Non-current liabilities decreased by $2.9 million in 2024 due to a $68.7 million decrease in bonds payable. This decrease was offset by a $25.4 million increase in net pension liability.

Changes in Deferred Inflows of Resources

Deferred inflows of resources in 2025 compared to 2024 decreased $32.1 million. Deferred inflows of resources related to OPEB decreased $27.2 million in 2025 due to changes in proportionate share of employer contributions while deferred inflows of resources related to pension decreased $4.8 million in 2025 due to changes in actuarial assumptions.

Deferred inflows of resources in 2024 compared to 2023 decreased $11.2 million. Deferred inflows of resources related to OPEB decreased $6.4 million in 2024 due to changes in proportionate share of employer contributions while deferred inflows of resources related to pension decreased $4.8 million in 2024 due to changes in actuarial assumptions.

Changes in Net Position

At August 31, 2025, the difference in deferred outflows, assets, deferred inflows and liabilities was $920 million while at August 31, 2024, the difference was $886.5 million, an increase of $33.5 million.

The August 31, 2024 net position of $886.5 million reflects a restatement from the previously reported $888.2 million. After restatement, the increase from August 31, 2023 ($863.9 million) to August 31, 2024 is $22.6 million

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses, and Changes in Net Position presents the operating results, as well as non-operating revenues and expenses. Of the three main sources of revenue — ad valorem taxes, state appropriations, and tuition — only tuition represents an exchange for services. Taxes and state appropriations represent non-exchange transactions and thus are considered non-operating revenues. This approach to presenting revenues and expenses is intended to summarize and simplify the user's analysis of the various services offered to students and the public. Depending on whether revenues or expenses are greater for the year, a net increase or net decrease in net position is created. The ending balances of net position on these statements agree with those shown on the Statements of Net Position (Exhibit 1). Results of operations and non-operating activities are summarized in Table 2 on the following page, which was prepared from the Statements of Revenues, Expenses, and Changes in Net Position (Exhibit 2).

TABLE 2: REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(In Millions)

	Fiscal Year			Change	
Operating Revenues	**2025**	**2024, restated**	**2023**	**2025 to 2024**	**2024 to 2023**
Tuition and Fees (Net)	$ 65.4	$ 56.0	$ 74.7	$ 9.4	$ (18.7)
Grants and Contracts	54.7	42.4	64.7	12.3	(22.3)
Auxiliary Enterprises	1.0	0.8	0.4	0.2	0.4
Other Operating Revenues	11.3	4.0	4.8	7.3	(0.8)
Total Operating Revenues	132.4	103.2	144.6	29.2	(41.4)
Operating Expenses	820.7	754.5	686.6	66.2	67.9
Operating Loss	(688.3)	(651.3)	(542.0)	(37.0)	(109.3)
Non-Operating Revenues and (Expenses)					
State Appropriations	150.5	143.5	121.6	7.0	21.9
Ad Valorem Taxes	439.1	417.3	402.8	21.8	14.5
Federal Revenue	123.7	117.0	116.8	6.7	0.2
Investment Income	32.9	45.2	24.6	(12.3)	20.6
Interest on Capital-Related Debt	(9.9)	(12.0)	(10.4)	2.1	(1.6)
Other Non-Operating Revenue (Expense)	(14.5)	(36.8)	35.1	22.3	(71.9)
Net Non-Operating Revenues	721.8	674.2	690.5	47.6	(16.3)
Increase in Net Position	33.5	22.9	148.5	10.6	(125.6)
Net Position - Beginning of Year	886.5	863.9	715.4	22.6	148.5
Restatement (see note 29)	-	(0.3)	-	0.3	(0.3)
Net position - beginning of year - restated	-	863.5	-	22.9	-
Net Position - End of Year	$ 920.0	$ 886.5	$ 863.9	$ 33.5	$ 22.6

Operating Revenues

The two major sources of operating revenues are tuition and various grants and contracts. Tuition revenue is reported net of discounts for tuition paid by various federal, state, and local grants, including those associated with the Title IV Higher Education Administration Program. Additionally, state mandated, or locally approved remissions and exemptions are reported as discounts against tuition.

Net tuition increased by $9.4 million in 2025 due to a full academic year at the new tuition rate as well as an increase in enrollment headcounts offset by increases in dual credit and other enrollment initiatives which provides scholarship of tuition costs to students. Grants and contracts provided 41.3% of operating revenue for 2025, which is a 0.2% increase compared to 2024. Auxiliary revenues, including bookstore commissions and vending and food service providers, increased by $0.2 million in 2025. In 2025, the College continued its efforts to reduce textbook costs to students.

Net tuition decreased by $18.7 million in 2024 due to an increase in enrollment headcounts offset by increases in dual credit and other enrollment initiatives which provide scholarships of tuition costs to students. Grants and contracts provided 41.1% of operating revenue for 2024, which is a 3.6 % decrease compared to 2023. Auxiliary revenues, including bookstore commissions and vending and food service providers, increased by $0.4 million in 2024. In 2024, the College continued its efforts to reduce textbook costs to students.

Non-Operating Revenues

State appropriations increased $7.0 million in 2025 when compared to 2024. Appropriations for benefits changed due to accounting of pension liability in 2025.

State appropriations increased $21.9 million in 2024 when compared to 2023. Appropriations for benefits changed due to accounting of pension liability in 2024.

Ad Valorem Tax revenue, net of collection fees and bad debt, increased in 2025 by $21.8 million due to the taxable assessed value increasing. Taxable property values increased by 9.6% in 2025. The tax rates decreased slightly.

Ad Valorem Tax revenue, net of collection fees and bad debt increased in 2024 by $14.5 million due to the taxable assessed value increasing. Taxable property values increased by 11.9% in 2024. The tax rates decreased slightly.

Investment income decreased $12.3 million in 2025 compared to 2024. This was due to the decreases in interest rates. During 2025, cash and cash equivalents decreased by $134.3 million and total long-term investments increased by $39.1 million as funds were moved from U.S. agency investments to investment pools to take advantage of favorable interest rates. Other non-operating revenues (expenses) reflected the contribution to the Foundation to fund a scholarship. The funds for the scholarship were the 2024 proceeds from the sale of education service broadband ("EBS") license to a national cellular provider.

Investment income increased $20.6 million in 2024 compared to 2023. This was due to the increases in interest rates. During 2024, cash and cash equivalents increased by $148.8 million and total long-term investments decreased by $171.4 million as funds were moved from U.S. agency investments to

investment pools to take advantage of favorable interest rates. Other non-operating revenues (expenses) reflected the contribution to the Foundation to fund a scholarship. The funds for the scholarship were the 2023 proceeds from the sale of education service broadband ("EBS") license to a national cellular provider.

Revenues by Source

Generally accepted accounting principles, promulgated by GASB, prohibit reporting state appropriations and ad valorem tax revenues — two major sources of revenue — as operating revenue, on the basis that each represents revenue from non-exchange transactions. Accordingly, state appropriations and revenues recognized from ad valorem taxation are reported as non-operating revenues. This results in reporting large operating losses which are significantly decreased after inclusion of these non-operating revenues and others that really are intended to contribute to operations. State appropriations are restricted by law to be used only for the educational and general expenses of its prime operations. Ad valorem tax revenues are broken into two types: those for maintenance and operations and those for debt service. The maintenance and operations portion is specifically designed to apply to operations, although a portion can be used for paying the debt service on tax notes. The debt service portion is restricted to pay the principal, interest, and other costs associated with tax backed bonds (General Obligation and Refunding Bonds). Interest revenue is obtained through pooled investments, a large portion of which is attributable to operations. Also, federal financial aid is classified as non-operating revenue by GASB even though the portion that relates to tuition is required to be reported as a tuition discount against operations.

All revenues, both operating and non-operating, are presented on the following page in Table 3 and a graph of Revenue by Source (Figure 1).

DALLAS COLLEGE

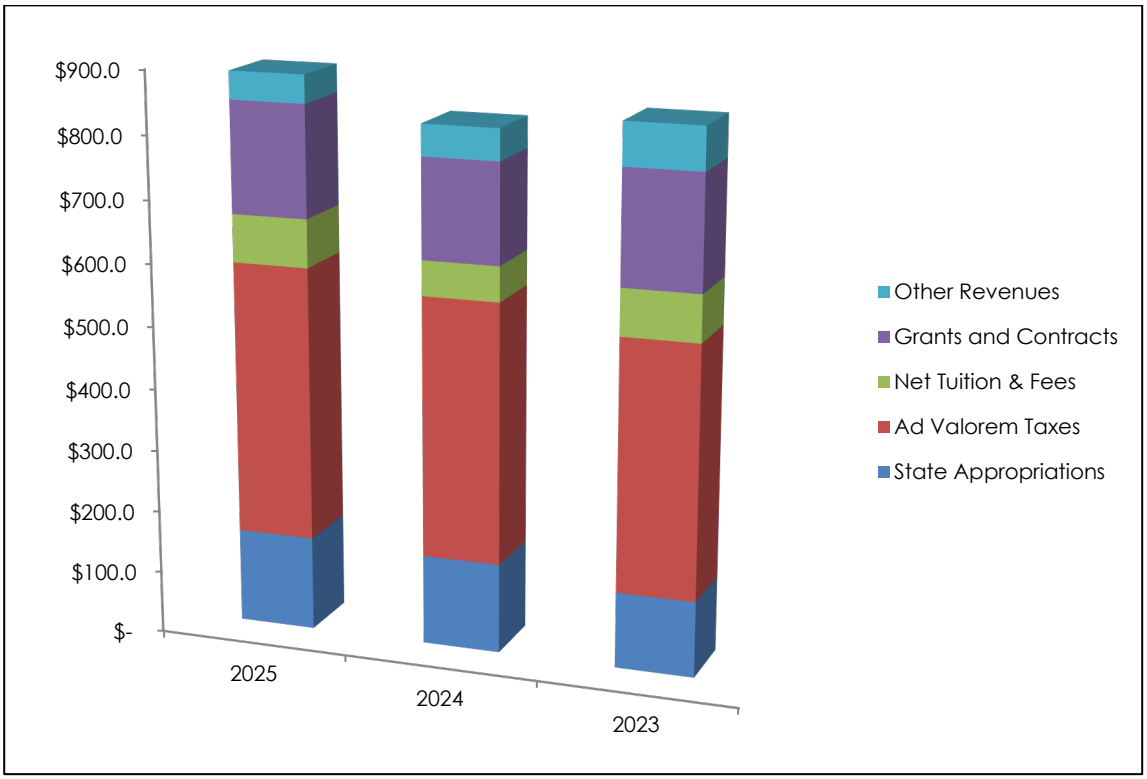
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

(UNAUDITED)

TABLE 3: REVENUE BY SOURCE
(In Millions)

	Fiscal Year			Change	
Revenue Sources	**2025**	**2024**	**2023**	**2025 to 2024**	**2024 to 2023**
State Appropriations	$ 150.5	$ 143.5	$ 121.5	$ 7.0	$ 21.9
Ad Valorem Taxes	439.1	417.3	402.8	21.8	14.5
Net Tuition & Fees	65.4	56.0	74.7	9.4	(18.7)
Grants and Contracts	178.4	159.4	181.4	19.0	(22.0)
Investments	32.9	45.2	24.6	(12.3)	20.6
Auxiliary Enterprises	1.0	0.8	0.4	0.2	0.4
Other Revenues	11.3	4.0	42.8	7.3	(38.8)
Total Revenues	$ 878.6	$ 826.2	$ 848.2	$ 52.4	$ (22.1)

REVENUE BY SOURCE
Figure 1



Operating Expenses

Total Operating Expenses were $820.7 million in 2025 and $754.5 million in 2024 for an increase of $66.2 million. Increases in the instruction category were primarily due to headcount increases for vacant and additional positions to meet community needs for skilled workforce instruction. Operating expenses for scholarships increased by $19.3 million.

Total Operating Expenses were $754.5 million in 2024 and $686.6 million in 2023 for an increase of $67.9 million. Increases in the instruction category were primarily due to headcount increases for vacant and additional positions to meet community needs for skilled workforce instruction. Operating expenses for scholarships decreased by $29.9 million.

Operating Expenses are presented in two formats: Natural Classification and Functional Classification. The Natural Classification is intended to show "what" the dollars were spent on, and the Functional Classification shows "who" spent the dollars.

Natural Classification

In 2025, salary expense increased $43.3 million over 2024 primarily due to salary increases of 5% for employees except for highly compensated administrators who received increases of 2%, adjustments related to a compensation comparative market study and an increase in the number of faculty, support staff and administrative positions in expectation of projected enrollment growth in skilled workforce instruction. Benefits decreased by $5.7 million in 2025. Scholarships increased $18.6 million primarily in CARES Act funding. Supplies and services decreased $16.4 million in 2025 as compared to 2024 primarily due to continuing facilities maintenance initiatives and non-capital equipment upgrades.

In 2024, salary expense increased $41.0 million over 2023 primarily due to salary increases of 5% for employees except for highly compensated administrators who received increases of 2%, adjustments related to a compensation comparative market study and an increase in the number of faculty, support staff and administrative positions in expectation of projected enrollment growth in skilled workforce instruction. Benefits increased by $20.8 million in 2024. Scholarships decreased $29.9 million primarily in CARES Act funding. Supplies and services increased $31.7 million in 2024 as compared to 2023 primarily due to continuing facilities maintenance initiatives and non-capital equipment upgrades.

Functional Classification

Instruction and institutional support, at $234.7 million and $179.8 million, respectively, represented the largest expense categories in 2025. Instructional costs increased $16.4 million in 2025 as compared to 2024. Public service decreased $8.5 million as CARES Act funding ended. Operations and maintenance of plant decreased $13.7 million in 2025 from 2024 due to infrastructure projects. Student services increased $16.8 million in 2025 due to investment in student centric operations such as counseling and basic needs services as well as enhanced advisory and enrollment management teams. Scholarships and fellowships increased $19.3 million in 2025.

DALLAS COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

(UNAUDITED)

TABLE 4: OPERATING EXPENSES – NATURAL CLASSIFICATION
(In Millions)

	Fiscal Year			Change	
OPERATING EXPENSES	**2025**	**2024**	**2023**	**2025 to 2024**	**2024 to 2023**
Salaries	$ 397.9	$ 354.6	$ 313.6	$ 43.3	$ 41.0
Benefits	83.8	89.5	68.7	(5.7)	20.8
Scholarships	94.5	75.9	105.8	18.6	(29.9)
Supplies and Services	194.4	210.8	179.1	(16.4)	31.7
Depreciation	50.1	23.7	19.4	26.4	4.3
Total Operating Expenses	$ 820.7	$ 754.5	$ 686.6	$ 66.2	$ 67.9

OPERATING EXPENSES – NATURAL CLASSIFICATION
Figure 2

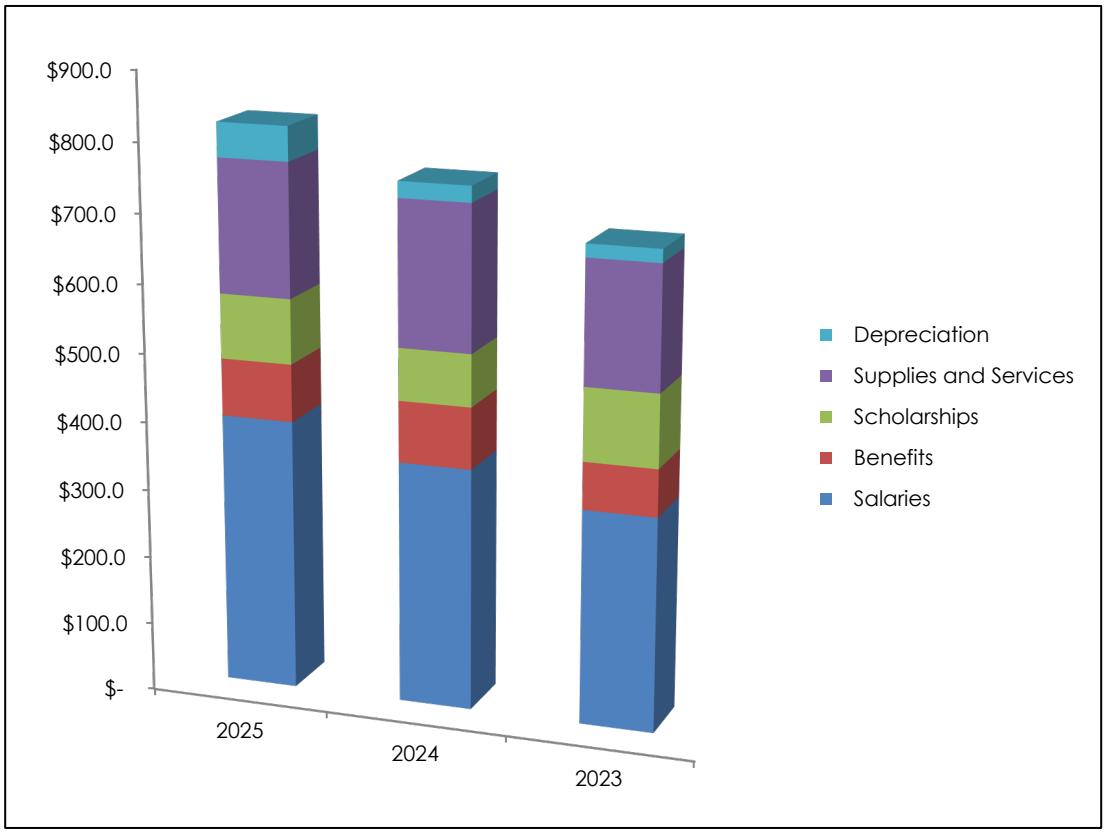


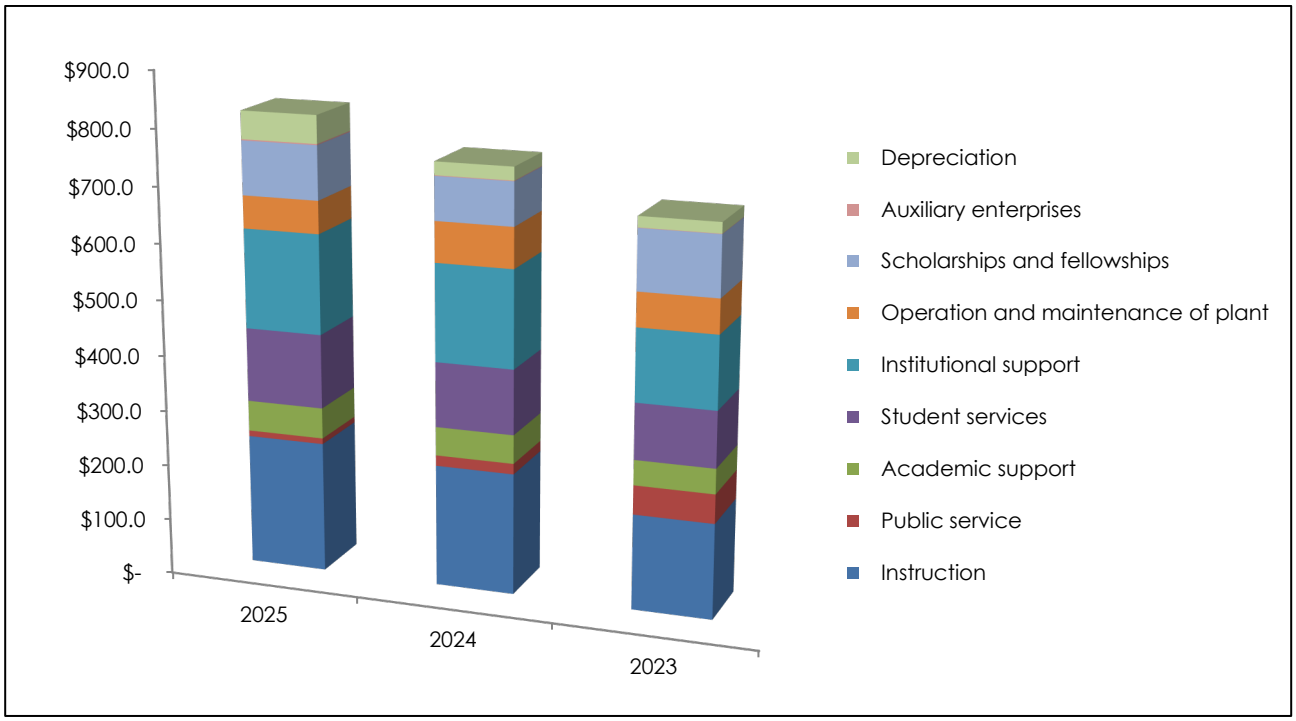
TABLE 5: OPERATING EXPENSES – FUNCTIONAL CLASSIFICATION

(In Millions)

	Fiscal Year			Change	
OPERATING EXPENSES	**2025**	**2024**	**2023**	**2025 to 2024**	**2024 to 2023**
Instruction	$ 234.7	$ 218.3	$ 171.0	$ 16.4	$ 47.3
Public service	10.4	18.9	52.0	(8.5)	(33.1)
Academic support	55.1	51.4	44.9	3.7	6.5
Student services	133.1	116.3	100.3	16.8	16.0
Institutional support	179.8	174.9	129.9	4.9	45.0
Operation and maintenance of plant	58.8	72.5	61.1	(13.7)	11.4
Scholarships and fellowships	96.7	77.4	107.3	19.3	(29.9)
Auxiliary enterprises	2.0	1.1	0.7	0.9	0.4
Depreciation	50.1	23.7	19.4	26.4	4.3
Total Operating Expenses	$ 820.7	$ 754.5	$ 686.6	$ 66.2	$ 67.9

OPERATING EXPENSES – FUNCTIONAL CLASSIFICATION

Figure 3



The Foundation

For the fiscal year ended August 31, 2025, the Foundation's total liabilities and net assets were $172.5 million. The Foundation's liabilities and net assets were $120.3 million at August 31, 2024. The income from the Foundation is partially used to fund scholarships and grants for the students and employees of the College. However, most of the Foundation's net assets are restricted; and therefore, not available for the College's direct use. Net assets of the Foundation with donor restrictions that are perpetual in nature were $105.6 million and $70.3 million for the fiscal years ended August 31, 2025 and 2024, respectively.

Statements of Cash Flows

The Statements of Cash Flows combine information from the Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position to illustrate the effect of various actions of the College on the availability and ultimate change in the amount of cash from one year to the next. The cash provided or used by operations, capital and non-capital financing, and investing activities combine to show the net change in cash and cash equivalents. The final portion of the Statements of Cash Flows reconciles the net loss from operations to the cash used by operating activities.

Capital Asset and Debt Administration

For the fiscal year ended August 31, 2025, net capital assets increased $54.6 million from the fiscal year ended August 31, 2024. Net capital assets increased by $116.3 million in fiscal year 2024 as compared to the fiscal year ended August 31, 2023. More information on Capital Assets can be found in Note 5 and Notes 8-11 for Long-Term Debt activity.

TABLE 6: NET CAPITAL ASSETS
(In Millions)

	Fiscal Year			Change	
	2025	2024*	2023	2025 to 2024	2024 to 2023
CAPITAL ASSETS:					
Land	$ 60.2	$ 38.9	$ 38.9	$ 21.3	$ -
Buildings & Building Improvements	1,057.4	1,017.3	931.7	40.1	85.6
Land Improvements	62.2	62.3	59.2	(0.1)	3.1
Equipment, Furniture, and Software	114.5	79.7	73.4	34.8	6.3
Library Books	9.1	8.8	8.8	0.3	0.0
Construction In Progress	317.6	326.6	329.8	(9.0)	(3.2)
Right of Use - Building	17.9	18.1	3.5	(0.2)	14.6
Right of Use - Subscription Asset	60.4	43.4	0.5	17.0	42.9
Total	1,699.3	1,595.1	1,445.8	104.2	149.3
Less Accumulated Depreciation/amortization:	(609.3)	(559.7)	(526.7)	(49.6)	(33.0)
Net Capital Assets	$ 1,090.0	$ 1,035.4	$ 919.1	$ 54.6	$ 116.3

*Restated for Change in Accounting Principle

Dallas College also issued $22,450,000 of the Series 2022 General Obligation Refunding Bonds, Taxable Series, an early refunding of the 2016 General Obligation Refunding Bonds.

On January 5, 2023, the College issued the first tranche of General Obligation bonds approved by the voters in the May 2019 $1.1 billion bond election. The Series 2023 Bonds have a par amount of $325,845,000.

Principal and interest for bond payments are shown in Table 7 below:

TABLE 7: BOND PAYMENTS
(In Millions)

	Fiscal Year			Change	
	2025	2024	2023	2025 to 2024	2024 to 2023
GO Bonds	$ 49.4	$ 37.3	$ 18.5	$ 12.1	$ 18.8
GO Refunding Bonds	12.1	9.7	55.5	2.4	(45.8)
Tax Notes	10.0	9.7	9.6	0.3	0.1
Total	$ 71.5	$ 56.7	$ 83.6	$ 14.8	$ (26.9)

The total of all bonds outstanding are shown in Table 8 below:

TABLE 8: TOTAL LONG TERM DEBT OUTSTANDING
(In Millions)

	Fiscal Year			Change	
	2025	2024	2023	2025 to 2024	2024 to 2023
GO Bonds	$ 239.2	$ 292.8	$ 335.2	$ (53.6)	$ (42.4)
GO Refunding Bonds	24.1	36.2	45.9	(12.1)	(9.7)
Tax Notes	2.4	12.4	22.2	(10.0)	(9.8)
Totals	$ 265.7	$ 341.4	$ 403.3	$ (75.7)	$ (61.9)

Standard & Poor's Rating Services, Moody's Investors Service, Inc., and Fitch Ratings all assigned their highest credit rating of "AAA" for the College's General Obligation bonds. Some of the reasons cited for the rating were (1) a strong tax base, (2) flexible revenue sources, and (3) strong fiscal management. There are only a handful of community colleges in the country that have the highest rating from all three rating agencies. Fitch Ratings reaffirmed their AAA rating of Dallas College in 2024. Standard & Poor's reaffirmed their rating in 2022, and Moody's reaffirmed their rating in 2025.

In fiscal year 2019, the College voters authorized $1.1 billion of General Obligation bonds to fund College projects which were prioritized by student needs. The projects were expected to be phased over a six-to-eight-year period. General Obligation bonds of $325.8 million were issued in 2023. This was for Phase 1 of the $1.1 billion authorized amount. Planning for Phase 2 remains in process.

At the Board of Trustee's meeting held August 13, 2024, authorization was given to execute the defeasance up to a total of $7.0 million of certain existing debt.

Currently Known Facts, Decisions and Conditions

At its September 2025 meeting, the Board of Trustees adopted a tax rate of $0.087607 for maintenance and operations and $0.018968 for debt service. The certified tax assessed value increased for fiscal year 2026 by 9.6%.

Initiatives approved by the Board in 2019, which include improvements to Information Technology infrastructure and Public Safety and Security at all locations, continued throughout 2025. In 2023, the College implemented the first phase of the new enterprise resource planning system (ERP) that included the finance and human resource modules. Phase 2 included the student module that went live in April 2025.

Contacting Dallas College's Financial Management

This financial report is designed to provide the College's citizens, taxpayers, students, investors, and creditors with a general overview of its finances and to demonstrate accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of Finance at 4343 IH-30, Mesquite, Texas 75150-2018 or visit our "Financial Transparency" link at the bottom of our homepage: https://www.dallascollege.edu/pages/default.aspx.

For financial information about the Dallas College Foundation, Inc., please contact the Foundation at Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, Texas 75215-1816 or visit the Foundation's website at: https://foundation.dallascollege.edu/impact/annualreport/

FINANCIAL STATEMENTS

DALLAS COLLEGE

STATEMENTS OF NET POSITION
AUGUST 31, 2025 AND 2024
EXHIBIT 1

ASSETS	2025	2024, restated
CURRENT ASSETS:		
Cash and cash equivalents	$ 184,765,064	$ 319,022,505
Short-term investments	39,806,570	-
Accounts receivable (net of allowance for uncollectible accounts)	20,987,301	32,499,950
Tuition and fees receivable (net of allowance for uncollectible accounts)	49,627,810	21,372,362
Taxes receivable (net of allowance for uncollectible accounts)	3,096,599	2,675,393
Accrued charges, net	697,940	16,385,365
Prepaid expenses	5,297,403	2,414,731
Total current assets	304,278,687	394,370,306
NON-CURRENT AND RESTRICTED ASSETS:		
Restricted cash and cash equivalents	100,395,985	150,121,813
Long-term investments	266,995,222	227,838,650
Capital assets, net		
Not subject to depreciation	377,864,432	365,489,785
Subject to depreciation	657,966,979	618,820,871
Subject to Amortization - ROU Leases Building and Equipment	12,886,181	15,541,806
Subject to Amortization - ROU Subscription Assets	41,349,971	35,603,070
Total non-current assets	1,457,458,770	1,413,415,995
TOTAL ASSETS	1,761,737,457	1,807,786,301
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on bond refunding	584,331	1,050,757
Deferred outflows of resources related to pensions	38,702,709	56,877,168
Deferred outflows of resources related to OPEB	29,402,933	26,552,618
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	20,925,794	42,809,862
Accrued liabilities	9,631,103	9,608,580
Accrued interest	1,851,468	664,003
Accrued compensable absences	15,582,971	14,335,606
Funds held for others	2,201,099	2,379,862
Unearned revenues	80,800,552	77,119,508
Net OPEB liability - current portion	6,612,729	5,916,651
Bonds payable - current portion	32,787,809	68,695,496
Subscription Liability - Current	11,583,381	8,408,038
Lease Liability - Current	2,268,713	2,183,734
Total current liabilities	184,245,619	232,121,340
NON-CURRENT LIABILITIES:		
Accrued compensable absences	6,723,028	6,184,873
Accrued Arbitrage Rebate	10,801,283	-
Net pension liability	136,036,330	143,057,386
Net OPEB liability	226,343,681	205,608,387
Bonds payable	232,912,435	272,809,586
Subscription Liability - Non Current	27,078,942	25,356,835
Lease Liability - Non Current	11,498,609	13,767,321
Total non-current liabilities	651,394,308	666,784,388
TOTAL LIABILITIES	835,639,927	898,905,728
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of resources related to leases	5,491,817	5,547,979
Deferred inflows of resources related to pensions	5,866,849	10,706,988
Deferred inflows of resources related to OPEB	63,433,614	90,619,445
NET POSITION		
Net investment in capital assets	882,939,147	873,566,019
Restricted for:		
Debt service	193,071,401	93,031,065
Unrestricted	(156,015,325)	(80,110,380)
TOTAL NET POSITION (Schedule D)	$ 919,995,223	$ 886,486,704

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

Dallas College Foundation, Inc.
and Dallas College Enterprise Ventures, Inc.
(Texas Nonprofit Organizations)
Consolidated Statements of Financial Position
August 31, 2025 and 2024
EXHIBIT 1A

	2025	2024
ASSETS		
Cash and cash equivalents	$ 5,350,440	$ 39,320,086
Accrued interest and dividends receivable	-	463,157
Pledges receivable, net	5,081,531	-
Investments	162,060,632	80,556,401
Total assets	$ 172,492,603	$ 120,339,644
LIABILITIES AND NET ASSETS		
Liabilities:		
Due to affiliate	$ 63,277	$ 56,562
Accounts payable	70,690	54,860
Total liabilities	133,967	111,422
Net assets:		
Without Donor Restrictions	21,443,354	16,732,557
With Donor Restrictions:		
Purpose restrictions	45,361,103	33,202,939
Perpetual in nature	105,554,179	70,292,726
	150,915,282	103,495,665
Total net assets	172,358,636	120,228,222
Total liabilities and net assets	$ 172,492,603	$ 120,339,644

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

DALLAS COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024
EXHIBIT 2

	2025	2024, restated
OPERATING REVENUES:		
Tuition and charges (net of discounts of $107,311,940 and $85,272,813 respectively)	$ 65,374,633	$ 55,970,431
Federal grants and contracts	36,898,302	27,550,480
State grants and contracts	12,858,127	10,702,115
Non-governmental grants and contracts	4,952,191	4,119,908
Sales and services of educational activities	72,490	102,951
Auxiliary enterprises	924,374	731,125
General operating revenues	11,272,883	4,017,900
Total operating revenues (Schedule A)	132,353,000	103,194,910
OPERATING EXPENSES:		
Instruction	234,697,008	218,332,817
Public service	10,365,794	18,855,802
Academic support	55,102,917	51,355,110
Student services	133,149,951	116,306,014
Institutional support	179,780,022	174,883,254
Operation and maintenance of plant	58,757,587	72,552,806
Scholarships and fellowships	96,703,445	77,399,804
Auxiliary enterprises	2,002,701	1,127,614
Depreciation	36,197,640	23,670,287
Amortization	13,912,927	-
Total operating expenses (Schedule B)	820,669,992	754,483,508
OPERATING LOSS	(688,316,992)	(651,288,598)
NON-OPERATING REVENUES (EXPENSES):		
State appropriations	150,457,286	143,460,479
Ad valorem taxes (net of bad debt and collection fee of $5,541,237 and $5,081,245, respectively)	439,104,303	417,271,539
Federal revenue, non-operating	123,722,006	117,073,183
Investment income (loss)	32,905,968	45,265,596
Interest on capital related debt	(9,905,368)	(12,038,878)
Gain/Loss on disposal of capital assets & easement rights	154,023	(325,321)
Other non-operating revenue	42,459	10,989
Other non-operating expense	(14,655,166)	(36,533,000)
Net non-operating revenues (Schedule C)	721,825,511	674,184,587
INCREASE IN NET POSITION	33,508,519	22,895,989
NET POSITION:		
Net Position—Beginning of Year, as previously stated	886,486,704	863,915,876
Restatement (See Note 29)	-	(325,161)
Net Position—Beginning of Year, as stated	886,486,704	863,590,715
Net Position—End of Year	$ 919,995,223	$ 886,486,704

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

Dallas College Foundation, Inc.
and Dallas College Enterprise Ventures, Inc.
(Texas Nonprofit Organizations)
Consolidated Statement of Activities
Year Ended August 31, 2025
EXHIBIT 2A

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	$ 292,329	$ 50,439,252	$ 50,731,581
Interest and dividend income	304,084	416,227	720,311
Contributed salaries	1,704,861	-	1,704,861
Net realized and unrealized (losses)/gain on investments, net	5,697,064	7,596,383	13,293,447
Net assets released from restrictions	11,040,446	(11,040,446)	-
Total revenues	19,038,784	47,411,416	66,450,200
EXPENSES			
Program services:			
Scholarship awards	4,345,764	-	4,345,764
Grants	6,952,102	-	6,952,102
Total program services	11,297,866	-	11,297,866
Non-program services:			
Management and general	2,094,028	-	2,094,028
Fundraising	927,892	-	927,892
Total non-program services	3,021,920	-	3,021,920
		-	
Total expenses	14,319,786	-	14,319,786
Transfers between funds, based on donor instructions	(8,201)	8,201	-
Change in net assets	4,710,797	47,419,617	52,130,414
Net assets, beginning of year	16,732,557	103,495,665	120,228,222
Net assets, end of year	$ 21,443,354	$150,915,282	$172,358,636

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

Dallas College Foundation, Inc.
and Dallas College Enterprise Ventures, Inc.
(Texas Nonprofit Organizations)
Consolidated Statement of Activities
Year Ended August 31, 2024
EXHIBIT 2A Continued

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	$ 234,633	$ 43,506,955	$ 43,741,588
Interest and dividend income	1,012,180	1,679,829	2,692,009
Contributed salaries	1,277,663	-	1,277,663
Net realized and unrealized (losses)/gain on investments, net	9,246,192	395,987	9,642,179
Net assets released from restrictions	7,855,721	(7,855,721)	-
Total revenues	19,626,389	37,727,050	57,353,439
EXPENSES			
Program services:			
Scholarship awards	3,315,342	-	3,315,342
Grants	4,701,552	-	4,701,552
Total program services	8,016,894	-	8,016,894
Non-program services:			
Management and general	1,878,134	-	1,878,134
Fundraising	666,370	-	666,370
Total non-program services	2,544,504	-	2,544,504
Total expenses	10,561,398	-	10,561,398
Transfers between funds, based on donor instructions	(5,980)	5,980	-
Change in net assets	9,059,011	37,733,030	46,792,041
Net assets, beginning of year	7,673,546	65,762,635	73,436,181
Net assets, end of year	$ 16,732,557	$103,495,665	$120,228,222

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

DALLAS COLLEGE

STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024
EXHIBIT 3

	2025	2024
Cash Flows From Operating Activities		
Receipts from students and other customers	$ 55,292,696	$ 61,666,594
Receipts of grants and contracts	53,292,298	48,262,962
Payments to or on behalf of employees	(445,813,689)	(429,528,079)
Payments to suppliers for goods and services	(219,139,183)	(209,618,182)
Payments of scholarships	(94,490,203)	(77,474,605)
Other cash payments	(27,155,966)	4,017,900
Net Cash Used In Operating Activities	(678,014,047)	(602,673,410)
Cash Flows From Noncapital Financing Activities		
Ad-Valorem tax revenues	438,683,097	417,457,774
Receipts of state appropriations	150,457,286	143,460,479
Receipts of grants and contracts	123,722,006	117,045,657
Receipts from student organizations and other agency transactions	42,459	-
Receipts (payments) to student organizations and other agency transactions	(178,763)	(36,065,896)
Net Cash Provided By Noncapital Financing Activities	712,726,085	641,898,014
Cash Flows From Capital And Related Financing Activities		
Purchases of capital assets	(90,606,133)	(93,233,340)
Proceeds from issuance of capital debt, including premium	-	-
Payments on capital debt and leases	(81,465,368)	(73,305,923)
Net Cash Used In Capital And Related Financing Activities	(172,071,501)	(166,539,263)
Cash Flows From Investing Activities		
Proceeds from sale and maturity of investments	448,876,180	242,815,000
Investment Earnings	27,691,194	33,257,168
Purchase of investments	(523,191,180)	-
Net Cash Provided By Investing Activities	(46,623,806)	276,072,168
Net change in cash and cash equivalents	(183,983,269)	148,757,509
Cash and Cash Equivalents - Beginning of Year	469,144,318	320,386,809
Cash and Cash Equivalents - End of Year	$ 285,161,049	$ 469,144,318

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

DALLAS COLLEGE

STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024
EXHIBIT 3
(CONTINUED)

	2025	2024
Reconciliation of Operating Income Loss to Net Cash Used In Operating Activities:		
Operating loss	$ (688,316,992)	$ (651,288,598)
Adjustments to reconcile operating income loss to net cash used in operating activities:		
Depreciation	50,110,567	23,670,287
State paid employee benefits and deferred inflows of resources:	34,075,047	(11,774,845)
(increase) decrease accrued charges	-	(1,640,033)
(increase) decrease in inventories	-	183,315
(Increase) decrease in receivables, net	(16,176,167)	6,883,398
(Increase) decrease in prepaid expenses	(2,882,672)	3,638,412
(Increase) decrease in deferred outflows of resources	15,790,570	(5,085,797)
Increase (decrease) in accounts payable	(21,884,068)	(2,638,290)
Increase (decrease) in accrued liabilities	22,523	994,041
Increase (decrease) in accrued compensated absences	1,785,520	1,834,719
Increase (decrease) in unearned revenue	3,681,044	5,196,123
Increase (decrease) in deposits payable	-	-
Increase (decrease) in deferred inflows of resources	(32,025,970)	(11,194,162)
Increase (decrease) in net pension liability	(7,021,056)	37,179,146
Increase (decrease) in net OPEB liability	(15,172,393)	1,368,874
Total adjustments	10,302,945	48,615,188
Net Cash Flows Used In Operating Activities	$ (678,014,047)	$ (602,673,410)
Non-cash investing, capital and financing activities:		
Loss on refunding, net of amortization	-	-
Change in fair value of investments	4,619,272	(11,709,405)
Amortization of premium on bonds	4,244,838	4,912,385
	$ 8,864,110	$ (6,797,020)

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

1. REPORTING ENTITY

Dallas College (College) was established in 1965 in accordance with the laws of the State of Texas to serve the educational needs of Dallas County and the surrounding communities. The College is considered to be a special purpose, primary government involved in business-type activities in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 61, *The Financial Reporting Entity: Omnibus---An Amendment of GASB Statements No. 14 and No. 3.* While the College receives funding from local, state, and federal sources and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

In March 2020, the College's Board of Trustees issued a resolution to reorganize from seven separately accredited colleges into one accredited college with seven primary campuses and to effect a name change of the College. In May 2020, applications made to the Southern Association of Colleges and Schools Commission on Colleges and the Texas Higher Education Coordinating Board for the changes were approved. Effective July 1, 2020, the Dallas College name change, and reorganization was implemented. The implementation had no effect on financial statements issued for Fiscal 2020 or prior fiscal years as the financial statements have, since inception, been presented on a consolidated basis for all operations. The College is now comprised of seven primary campuses offering higher education and workforce training to Dallas County, Texas and surrounding communities in North Texas. The primary campuses are:

- El Centro Campus (established 1966) – main campus
- Eastfield Campus (established 1970)
- Mountain View Campus (established 1970)
- Richland Campus (established 1972)
- Cedar Valley Campus (established 1977)
- North Lake Campus (established 1977)
- Brookhaven Campus (established 1978)

In evaluating how to define the College for financial reporting purposes, management has considered all potential component units, including the Dallas College Foundation, Inc. (Foundation). The Foundation is a separate non-profit organization, and its sole purpose is to provide benefits such as scholarships and grants to the students, faculty, and staff of the College, as well as raise money to support capital projects. The Foundation is a legally separate entity which does not provide a financial benefit or impose a financial burden on the College. The College does not appoint any of the Foundation's board members. The financial position and results of operations of the Foundation are included in these financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus---An Amendment of GASB Statements No. 14 and No. 34,* and Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14,* as an affiliated entity because the Foundation's sole function is to fund the College and its students. The complete financials of the Foundation are located on their website at: https://foundation.dallascollege.edu/impact/annualreport/ or request a copy by writing to: Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, TX. 75215-1816.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Guidelines—The College is classified as a special-purpose government engaged in business-type activities. The Statements of Net Position display the financial position of the College at the end of each fiscal year and the Statements of Revenues, Expenses, and Changes in Net Position display the operations of the College for the fiscal years ended August 31, 2025 and 2024. The financial statements are prepared using the economic resources measurement focus and the full accrual method of accounting.

The significant accounting policies followed by the College in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The accompanying financial statements also comply with the Annual Financial Reporting Requirements for Texas Public Community Colleges established by the Texas Higher Education Coordinating Board (THECB). The College applies all applicable GASB pronouncements.

Budgetary Data—Each community college in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for the fiscal year beginning September 1. The College's Board of Trustees (Board) adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with THECB, Legislative Budget Board, Legislative Reference Library, and the Governor's Office of Budget and Planning by December 1.

Tuition Discounting

Texas Public Education Grant (TPEG)

Certain tuition amounts are required to be set aside for use as scholarships by qualifying students. This set aside, called TPEG, is shown with tuition revenue amounts on Schedule A as a separate amount (Texas Education Code §56.0333). When the award for tuition is used by the student, the amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Title IV, Higher Education Administration (HEA) Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to students. These funds are initially received by the College and recorded as revenue. When the student is awarded these funds for tuition, the amount is recorded as a tuition discount. If the amount is disbursed directly to the student, the amount is recorded as a scholarship expense.

Other Tuition Discounts

The College awards certain tuition scholarships from institutional and grant funds to students who qualify. The College also applies certain State or College programs that provide full or

partial tuition exemptions to students who qualify. When these amounts are transferred to the student for tuition, the amounts are recorded as tuition revenue and a corresponding amount is recorded as a tuition discount. If the amount is dispersed directly to the student, College records the amount as a scholarship expense.

Basis of Accounting—The financial statements of the College have been prepared on the accrual basis, whereby all revenues are recorded when earned and expenses are recorded when they become a legal or contractual obligation to pay.

Cash and Cash Equivalents—The College's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments—In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments are reported at fair value. Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity greater than one year at time of purchase.

Inventories—Inventories consist of consumable office and physical plant supplies. Inventories are valued at cost under the first-in, first-out method and are charged to expense as consumed.

Accrued Charges—Current accrued charges represent expenses for grants, scholarships, and fellowships related to the periods after August 31, 2025 and 2024, respectively.

The College defers and amortizes the production costs associated with instructional television programs and other related materials on a straight-line basis over the estimated useful life of such media, which ranges from two to five years. These materials are produced and used both internally for instruction and for lease by the College to other educational institutions. At August 31, 2025 and 2024, respectively, the College had no deferred production costs.

Capital Assets—Capital assets are stated at cost as of the date of acquisition. Donated capital assets are stated at acquisition value in accordance with GASB Statement No. 72, defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The College reports depreciation under a single-line item as a business-type unit. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life in excess of one year. Library materials purchased during the fiscal year in an aggregate amount of $5,000 or more are subject to capitalization and depreciation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expenses in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Equipment, furniture, telecommunications, and peripheral equipment apply depreciation on a half-month

convention. A full-year convention is applied for buildings, facilities, land improvements, and library books. Estimated useful lives of capital assets are established according to the following:

Buildings	50 years
Facilities and other improvements	20 years
Library books	15 years
Furniture, machinery, vehicles, and other equipment	5 - 10 years
Major maintenance initiatives	10 years
Telecommunications and peripheral equipment	5 years
Right-to-use Lease Asset	*term of the arrangement*
Right-to-use SBITA Asset	*term of the arrangement*

Other Post Employment Benefits (OPEB)—The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deterred outflows of resources and deferred inflows of resources related to other post-employment benefits; OPEB expense: and information about assets, liabilities and additions to/deductions from SRHP's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

Pensions—The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multi-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS' fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Unearned Revenues—Tuition and federal, state, and local grant revenue received that relates to a future period have been reported by the College as unearned revenues at August 31.

Deferred Outflows of Resources—The Statements of Net Position include a separate section for deferred outflows of resources, which represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows of resources in circumstances specifically authorized by GASB.

Deferred Inflows of Resources—The Statements of Net Position also include a section for deferred inflows of resources, which represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Governments are permitted only to report deferred inflows of resources in circumstances specifically authorized by GASB.

Estimates—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, the College is aware that actual results could differ from those estimates.

Operating and Non-Operating Revenues and Expenses Policy—The College distinguishes operating revenues and expenses from non-operating items. The College reports as a BTA and as a single, proprietary fund. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. The principal operating revenues are tuition and contracts and grants. Other Operating Revenues consist of a variety of miscellaneous revenues that include such items as child care center revenues, room rental income, ticket sales, credit by exam income, and other miscellaneous income not applicable to any other category. The major non-operating revenues are state appropriations, property tax collections, and Title IV federal revenues not discounted against tuition. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. The operations of the bookstore and food service are performed by a third party contracted by the College.

Use of Restricted Resources—The College's practice is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Compensated Absences—The College recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on that criteria, two types of leave qualify for liability recognition for compensated absences.

Vacation—The College's policy permits full-time employees to accumulate earned but unused vacation benefits, with a carryover limit of not more than 384 hours. These benefits are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave—The College's policy permits employees to accumulate earned but unused sick leave for full-time equivalent employees. Sick leave for full-time equivalent employees is earned at the rate of 8 hours per month and accumulates to a maximum of 528 hours. It is paid to an employee who misses work due to illness but is not eligible for payment upon separation of employment.

Self-Insurance—The College is self-insured for a portion of workers' compensation losses. A liability has been recorded for the estimated amount of eventual loss which will be incurred on claims arising prior to the end of the fiscal year.

GASB Pronouncements

Effective with fiscal year 2025, the College implemented the following:

GASB Statement No. 101, *Compensated Absences*

This statement aims to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Dallas College implementation GASB Statement No. 101 in fiscal year 2025, see Note: 15 Compensated Absence and Note: 29 explaining the restatement of beginning net position.

GASB Statement No. 102, *Certain Risk Disclosures*

The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, GASB Statement No. 102 requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If the criteria for disclosure have been met the government should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of substantial impact. GASB Statement No. 102 was evaluated and it was not applicable for the College in the current fiscal year.

Effective with fiscal year 2026, the College will implement the following:

GASB Statement No. 103, *Financial Reporting Model Improvements*

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability. This Statement addresses (1) management's discussion and analysis, (2) unusual or infrequent items, (3) presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, (4) major component unit information, and (5) budgetary comparison information. Implementation of this Statement for community districts is planned for fiscal year 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*

The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. It also establishes requirements for capital assets held for sales, including additional disclosures for those capital assets. Implementation of this Statement for community districts is planned for fiscal year 2026.

3. AUTHORIZED INVESTMENTS

The Board has adopted a written investment policy for the investment of its funds as defined in the Public Funds Investment Act (PFIA) of 1995, Section 2256.005 of the Texas Government Code, as amended. This policy is reviewed and approved by the Board annually.

The College may make investments only in the following types of investments:

- Treasury bills, treasury notes, and treasury bonds of the United States and other direct obligations of the agencies and instrumentalities of the United States as permitted by Government Code 2256.009.
- Fully collateralized repurchase agreements and reverse repurchase agreements permitted by Government Code 2256.011.
- Certificates of Deposit and share certificates that are fully guaranteed or insured by the FDIC (Federal Deposit Insurance Corp. a U.S. Government Agency that provides deposit insurance to depositors in U.S. Banks and Thrifts in the event of a bank failure), through an authorized broker/dealer, to one or more than one depository institution, as permitted by Government Code 2256.010.
- Public funds investment pools as permitted by Government Code 2256.016.
- A securities lending program as permitted by Government Code 2256.0115.
- No-load money market mutual funds as permitted by Government Code 2256.014.
- A guaranteed investment contract as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
- Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "AA" or its equivalent as permitted by Government Code 2256.009(a).
- Investments that are fully guaranteed or insured by the FDIC.
- Commercial Paper with a maximum maturity of 181 days, rated A1/P1 by a nationally recognized rating agency.
- Cash management and fixed income funds as permitted by Government Code 2256.020.
- Negotiable certificates of deposit as permitted by Government Code 2256.020.
- Corporate bonds, debentures, or similar debt obligations as permitted by Government Code 2256.020.

Investment in any and all types of derivatives is prohibited.

4. DEPOSITS AND INVESTMENTS

Under the terms of a bank depository agreement, College bank deposits are to be fully insured at all times. The College maintains investment pools included in the Statements of Net Position as "Cash and Cash Equivalents" for those items with original maturities of 90 days or less, as "Short-term Investments" for those items with original maturities of 91 days to one year, and as "Long-term Investments" for those items with maturities of greater than one year.

Various restrictions on deposits and investments, including repurchase agreements, are imposed by statute and College policy. These restrictions are summarized below:

> **Deposits**—Custodial credit risk for deposits is the risk that in the event of a bank failure, the College's deposits may not be returned, or the College will not be able to recover collateral securities in the possession of an outside party. All deposits with the depository bank of the College must be collateralized in an amount equal to at least 100% of the amount of uninsured collected funds. The collateral must be held by a third-party collateral bank in the name of the College, or there may be a surety bond issued by a company mutually agreeable to the College and the depository.

The carrying amount of the College's deposits with financial institutions as of August 31, 2025 was $115,542 and the bank balance was $5,340,562. The carrying amount of the College's deposits with financial institutions as of August 31, 2024 was $928,123, and the bank balance was $6,495,686. At August 31, 2025 and 2024, all the College's non-interest bearing deposits with banks were either insured by FDIC or were collateralized with securities through third-party agreements.

Cash and cash equivalents included on the Statements of Net Position consist of the following:

	2025	2024
Bank deposits		
Local funds - demand	$ 103,967	$ 916,549
Total deposits	103,967	916,549
Cash on hand	11,575	11,574
Cash equivalents		
Investment in TexSTAR	381,432	364,724
Investment in LOGIC	62,906,674	109,908,152
Investment in Lone Star	53,037,354	102,326,165
Investment in Texas CLASS	131,754,279	194,549,864
Investment in Texas Range	36,965,768	61,067,290
Total cash equivalents	285,045,507	468,216,195
Total cash and cash equivalents	$ 285,161,049	$ 469,144,318

Investments—Disclosures are presented in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures - An Amendment of GASB Statement No. 3*. The College is authorized to invest in obligations and instruments as defined in applicable sections of the current Texas Education Code and the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than "A" by a national investment rating firm, (4) certificates of deposit, (5) Commercial paper with maximum maturity of 181 days, and (6) other instruments and obligations authorized by statute. The investment policies of the College are governed by formally adopted procedures and allow investments as permitted under state laws for public institutions. Permissible investments under College policy include U.S. Treasury notes, certificates of deposit purchased from FDIC-insured state or nationally chartered U.S. banks, fully collateralized repurchase agreements and reverse repurchase agreements, investment pools, and securities issued by U.S. government agencies or municipalities.

At August 31, 2025 and 2024, long-term investments consisted of U.S. government, municipal and agency securities.

Investments made by the College are carried at fair value, defined as the price at which two willing parties would complete an exchange.

At August 31, 2025, the College had the following cash equivalents, investments, and maturities:

	Fair Value	Investment Maturities (In Years) Less than 1	1-2	2-3	3-4	4-5	5-6
U.S. Agency	$249,215,330	$ -	$60,006,914	$35,824,488	$9,993,164	$133,828,857	$9,561,907
Municipal securities	27,781,092	10,001,200	-	-	-	17,779,892	-
Commercial paper	29,805,370	29,805,370	-	-	-	-	-
Investment Pools:							
TexSTAR	381,432	381,432	-	-	-	-	-
LOGIC	62,906,674	62,906,674	-	-	-	-	-
Lone Star	53,037,354	53,037,354	-	-	-	-	-
Texas CLASS	131,754,279	131,754,279	-	-	-	-	-
Texas Range	36,965,768	36,965,768	-	-	-	-	-
Total cash equivalents and investments	$591,847,299	$324,852,077	$60,006,914	$35,824,488	$9,993,164	$151,608,749	$9,561,907

At August 31, 2024, the College had the following cash equivalents, investments, and maturities:

	Fair Value	Investment Maturities (In Years) Less than 1	1-2	2-3	3-4	4-5	5-6
U.S. Agency	$214,184,347	$ -	$14,996,939	$34,977,962	$68,887,338	$85,996,569	$ 9,325,539
Municipal securities	13,654,303	-	-	-	1,974,060	6,827,993	4,852,250
Commercial paper	-	-	-	-	-	-	-
Investment Pools:							
TexSTAR	364,724	364,724	-	-	-	-	-
LOGIC	109,908,152	109,908,152	-	-	-	-	-
Lone Star	102,326,165	102,326,165	-	-	-	-	-
Texas CLASS	194,549,863	194,549,863	-	-	-	-	-
Texas Range	61,067,290	61,067,290	-	-	-	-	-
Total cash equivalents and investments	$696,054,844	$468,216,194	$14,996,939	$34,977,962	$70,861,398	$92,824,562	$14,177,789

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As previously described, the College's investment policy limits credit risk based on meeting requirements of state law.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The College policy provides that investment maturities are limited to six years with an average maturity of no more than five years as a means of managing exposure to fair value losses arising from increasing interest rates. The College's philosophy is to hold all investments to their maturity.

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The College's investment policy sets guidelines for the maximum percentage of portfolio for any one type of investment. However, all the College's investments are backed by the U.S. Government and are not subject to concentration of credit risk. Investment in Investment Pools,

as the largest component of the portfolio, comprises 48.2% of the College's total portfolio at August 31, 2025 and meets the College's guideline of no more than 85% of the portfolio being Investment Pools.

Reconciliation of Deposits and Investments to Exhibit 1

	Fair Value August 31, 2025	Fair Value August 31, 2024
Total cash and cash equivalents	$ 285,161,049	$ 469,144,318
Total investments	306,801,792	227,838,650
Total	$ 591,962,841	$ 696,982,968
Cash and cash equivalents (Exhibit 1)	$ 184,765,064	$ 319,022,505
Restricted cash and cash equivalents (Exhibit 1)	100,395,985	150,121,813
Short-term investments (Exhibit 1)	39,806,570	-
Long-term investments (Exhibit 1)	266,995,222	227,838,650
Total	$ 591,962,841	$ 696,982,968

There were no investments held by broker-dealers under reverse repurchase agreements as of August 31, 2025 or 2024.

Created in April 2002 through a contract among its participating governing units, TexSTAR is governed by a board of directors to provide for the joint investment of participants' public funds under their control and meets requirements under the Public Funds Investment Act. TexSTAR is rated AAAm by Standard & Poor's. Investments in TexSTAR plus accrued interest may be redeemed by the College at any time. Therefore, investments in TexSTAR are included within cash and cash equivalents in the accompanying Statements of Net Position.

Local Government Investment Cooperative (LOGIC) is managed by JP Morgan Chase and Hilltop Securities, in compliance with the Texas Public Funds Investment Act. LOGIC carries Standard & Poor's AAAm rating. In addition to investing in U.S. Treasury and Agency Securities, LOGIC provides additional diversification by investing in repurchase agreements and prime commercial paper. Investments in LOGIC are included within cash and cash equivalents in the accompanying Statements of Net Position.

Lone Star Investment Pool, managed by First Public, LLC., a subsidiary of Texas Association of School Boards, was created in 1991 with the goal of making the management of public funds safer and easier. Lone Star maintains a Standard & Poor's AAA rating and only holds investments authorized under the Public Funds Investment Act. Investments in Lone Star are included within cash and cash equivalents in the accompanying Statements of Net Position.

Established in 1996, the Texas Cooperative Liquid Assets Securities System Trust (CLASS) was created as an investment pool for its participants and is administered by Public Trust Advisors, LLC with Wells Fargo Bank Texas N.A. as the custodian. Texas CLASS invests solely in securities which are permitted pursuant to the Texas Public Funds Investment Act and carries Standard & Poor's AAAm rating. Investments in Texas CLASS are included within cash and cash equivalents in the accompanying Statements of Net Position.

The Texas Range Investment Program was created by and for Texas local governments to provide investment options tailored to the needs of Texas public investors. Texas Range portfolios seek to provide these investors with safety, flexibility and competitive yields. Texas Range investments are designed to comply with all Texas statutes, including regulations for the allowable investment of public funds. Texas Range/TexasDAILY Portfolio is rated AAAm by Standards &Poor's. Investments in Texas Range are included within cash and cash equivalents in the accompanying Statements of Net Position.

TexSTAR, LOGIC, Lone Star, Texas CLASS, and Texas Range are not registered with the Securities & Exchange Commission (SEC) as investment companies, but they operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* allows 2a7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net positions to compute share price.

Derivatives are investment products which may be a security or a contract that derives its value from another security, currency, commodity, or index, regardless of the source of funds used. The College's investment policy prohibits investments in derivative securities.

Fair Value of Financial Instruments

GASB Statement No. 72 regarding Fair Value Measurement and Application for financial reporting purposes categorizes financial instruments within three different levels of risk dependent upon the measurement of their fair value and pricing.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level of input that is significant to their fair value measurement of the instrument. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the College can access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

Because the College investments are restricted by Policy and State law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The *exit* or fair market prices used for U.S. Government Agencies' valuations of the portfolio are all Level 1 and represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date. Commercial paper valuations are recorded at amortized cost. Level 2 inputs are utilized for valuations at the measurement date. Since the investment pools are recorded at net asset value, they are not subject to "leveling".

Fair Value Hierarchy of investments at August 31, 2025 and 2024 are:

	Fiscal Year 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. Government Agencies	$ 249,215,330	$ -	$ -	$ 249,215,330
Municipal Securities	27,781,092	-	-	27,781,092
Commercial Paper	-	29,805,370	-	29,805,370
Total fair value	$ 276,996,422	$ 29,805,370	$ -	$ 306,801,792

	Fiscal Year 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. Government Agencies	$ 214,184,347	$ -	$ -	$ 214,184,347
Municipal Securities	13,654,303	-	-	13,654,303
Commercial Paper	-	-	-	-
Total fair value	$ 227,838,650	$ -	$ -	$ 227,838,650

5. CAPITAL ASSETS

Capital assets activity for the fiscal year ended August 31, 2025 was as follows:

	Balance September 1, 2024, restated	Increases/ Reclassifications	Decreases/ Adjustments	Balance August 31, 2025
Capital assets not subject to depreciation:				
Land	$ 38,919,062	$ 21,289,293	$ -	$ 60,208,355
Construction in progress	326,570,724	66,827,396	(75,742,042)	317,656,078
Total not depreciated	365,489,786	88,116,689	(75,742,042)	377,864,433
Capital assets subject to depreciation/amortization:				
Buildings and building improvements	1,017,353,228	40,054,091	-	1,057,407,319
Land improvements	62,297,955	-	(83,819)	62,214,136
Furniture, machinery, vehicles, and other equipment	79,670,314	35,146,076	(280,479)	114,535,911
Library books	8,804,127	250,260	-	9,054,387
Right of Use - Building	18,147,869	-	(238,247)	17,909,622
Right of Use - Subscription Asset	43,384,034	17,004,203	-	60,388,237
Total depreciated	1,229,657,528	92,454,630	(602,545)	1,321,509,612
Accumulated depreciation/amortization:				
Buildings and building improvements	(463,156,454)	(13,742,844)	-	(476,899,298)
Land improvements	(26,955,727)	(1,367,109)	-	(28,322,836)
Furniture, machinery, vehicles, and other equipment	(51,636,968)	(20,823,384)	257,618	(72,202,735)
Library books	(7,555,604)	(264,302)	-	(7,819,907)
Right of Use - Building	(2,606,063)	(2,655,625)	238,247	(5,023,441)
Right of Use - Subscription Asset	(7,780,964)	(11,257,301)	-	(19,038,265)
Total accumulated depreciation/amortization	(559,691,780)	(50,110,566)	495,865	(609,306,481)
Net capital assets subject to depreciation/amortization	669,965,748	42,344,064	(106,680)	712,203,131
Net capital assets	$ 1,035,455,533	$ 130,460,753	$ (75,848,722)	$ 1,090,067,564

	2025
Capital Assets, net of Depreciation/Amortization	$ 1,090,067,563
Less:	
General Obligation Bonds	(247,115,000)
Premiums	(18,585,244)
Leases Liability	(13,767,322)
Subsctiption Liability	(38,662,323)
Captial related payables	(3,347,764)
Plus:	
Deferred Charge on Refund	584,331
Unspent bond proceeds	113,764,906
Net Investment in Capital Assets Per Exhibit 1	$ 882,939,147

Capital assets activity for the fiscal year ended August 31, 2024 was as follows:

	Balance September 1, 2023, restated	Increases/ Reclassifications	Decreases/ Adjustments	Balance August 31, 2024, restated
Capital assets not subject to depreciation:				
Land	$ 38,919,062	$ -	$ -	$ 38,919,062
Construction in progress	329,849,016	85,421,788	(88,700,081)	326,570,724
Total not depreciated	368,768,078	85,421,788	(88,700,081)	365,489,786
Capital assets subject to depreciation/amortization:				
Buildings and building improvements	931,701,452	85,651,776	-	1,017,353,228
Land improvements	59,165,832	3,132,124	-	62,297,956
Furniture, machinery, vehicles, and other equipment	73,387,602	7,742,444	(1,459,732)	79,670,314
Library books	8,804,127	-	-	8,804,127
Right of Use - Building	3,548,925	17,461,286	(2,862,343)	18,147,868
Right of Use - Subscription Asset	536,448	42,847,586	-	43,384,034
Total depreciated	1,077,144,386	156,835,216	(4,322,075)	1,229,657,527
Accumulated depreciation/amortization:				
Buildings and building improvements	(447,388,524)	(15,767,930)	-	(463,156,454)
Land improvements	(25,654,436)	(1,301,291)	-	(26,955,727)
Furniture, machinery, vehicles, and other equipment	(46,415,948)	(6,305,513)	1,084,493	(51,636,968)
Library books	(7,260,051)	(295,553)	-	(7,555,604)
Right of Use - Building	(2,201,248)	(3,267,158)	2,862,343	(2,606,063)
Right of Use - Subscription Asset	(38,960)	(7,742,004)	-	(7,780,964)
Total accumulated depreciation/amortization	(526,718,960)	(34,679,449)	3,946,836	(559,691,780)
Net capital assets subject to depreciation/amortization	550,425,426	122,155,767	(375,239)	669,965,746
Net capital assets	$ 919,193,504	$ 207,577,555	$ (89,075,320)	$ 1,035,455,532

	2024
Capital Assets, net of Depreciation/Amortization	$ 1,035,455,532
Less:	
General Obligation Bonds	(318,675,000)
Premiums	(22,830,082)
Leases Liability	(15,951,055)
Subsctiption Liability	(33,764,873)
Captial related payables	(13,481,655)
Plus:	
Deferred Charge on Refund	1,050,757
Unspent bond proceeds	241,762,395
Net Investment in Capital Assets Per Exhibit 1	$ 873,566,019

6. LEASE PAYABLE

For the year ended August 31, 2025, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of August 31, 2025, Dallas College had 6 active leases. The leases have payments that range from $12,500 to $1,240,549 and interest rates that range from 4.0% to 4.0%. As of August 31, 2025, the total combined value of the lease liability is $13,767,322, the total combined value of the short-term lease liability is $2,268,713. The combined value of the right to use assets, as of August 31, 2025 of $17,909,622 with accumulated amortization of $5,023,441 is included within the Lease Class activities table found below. The leases had $0 of Variable Payments and $0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of August 31, 2025	
Asset Class	**Lease Asset Value**	**Accumulated Amortization**
Buildings	$ 17,909,622	$ 5,023,441
Total Leases	$ 17,909,622	$ 5,023,441

The present value of the future principal and interest payments as of August 31, 2025, were as follows:

Year Ending August 31	Principal	Interest	Total
2026	$ 2,268,713	$ 509,142	$ 2,777,854
2027	2,375,033	416,963	2,791,996
2028	2,539,517	318,963	2,858,479
2029	2,386,949	216,258	2,603,207
2030	1,174,065	145,371	1,319,436
2031 - 2033	3,023,045	163,911	3,186,957
	$ 13,767,322	$ 1,770,608	$ 15,537,929

For the year ended August 31, 2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of August 31, 2024, Dallas College had 7 active leases. The leases have payments that range from $12,500 to $1,215,317 and interest rates that range from 4.0% to 4.0%. As of August 31, 2024, the total combined value of the lease liability is $15,951,055, the total combined value of the short-term lease liability is $2,183,734. The combined value of the right to use asset, as of August 31, 2024 of $18,147,869 with accumulated amortization of $2,606,063 is included within the Lease Class activities table found below. The leases had $0 of Variable Payments and $0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of August 31, 2024	
Asset Class	**Lease Asset Value**	**Accumulated Amortization**
Buildings	$ 18,147,869	$ 2,606,063
Total Leases	$ 18,147,869	$ 2,606,063

The present value of the future principal and interest payments as of August 31, 2024, were as follows:

Year Ending August 31	Principal	Interest	Total
2025	$ 2,183,734	$ 600,553	$ 2,784,285
2026	2,268,712	509,142	2,777,854
2027	2,375,033	416,963	2,791,996
2028	2,539,517	318,963	2,858,479
2029	2,386,949	216,258	2,603,207
2030 - 2033	4,197,110	309,282	4,506,392
	$ 15,951,055	$ 2,371,161	$ 18,322,213

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA)

For the year ended August 31, 2025, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of August 31, 2025, Dallas College had 19 active subscriptions. The subscriptions have payments that range from $76,328 to $3,916,292 and interest rates that range from 4.0% to 4.0%. As of August 31, 2025, the total combined value of the subscription liability is $38,662,323, and the total combined value of the short-term subscription liability is $11,583,381. The combined value of the right to use asset, as of August 31, 2025 of $60,388,237 with accumulated amortization of $19,038,265 is included within the Subscription Class activities table found below. The subscriptions had $0 of Variable Payments and $0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

Amount of Subscription Assets by Major Classes of Underlying Asset

	As of August 31, 2025	
Asset Class	**Subscription Asset Value**	**Accumulated Amortization**
Software	$ 60,388,237	$ 19,038,265
Total Subscriptions	$ 60,388,237	$ 19,038,265

The present value of the future principal and interest payments as of August 31, 2025, were as follows:

Year Ending August 31	Principal	Interest	Total
2026	$ 11,583,381	$ 1,542,645	$ 13,126,023
2027	7,857,357	1,083,158	8,940,515
2028	6,775,508	768,863	7,544,371
2029	6,568,260	497,861	7,066,121
2030	3,681,179	235,113	3,916,292
2031	2,196,638	87,866	2,284,504
	$ 38,662,323	$ 4,215,506	$ 42,877,826

For the year ended August 31, 2024, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of August 31, 2024, Dallas College had 14 active subscriptions. The subscriptions have payments that range from $76,328 to $3,916,292 and interest rates that range from 4.0% to 4.0%. As of August 31, 2024, the total combined value of the subscription liability is $33,764,873, and the total combined value of the short-term subscription liability is $8,408,038. The combined value of the right to use asset, as of August 31, 2024 of $43,384,034 with accumulated amortization of $7,780,964 is included within the Subscription Class activities table found below. The subscriptions had $0 of Variable Payments and $0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

Amount of Subscription Assets by Major Classes of Underlying Asset

	As of August 31, 2024	
Asset Class	**Subscription Asset Value**	**Accumulated Amortization**
Software	$ 43,384,034	$ 7,780,964
Total Subscriptions	$ 43,384,034	$ 7,780,964

The present value of the future principal and interest payments as of August 31, 2024, were as follows:

Year Ending August 31	Principal	Interest	Total
2025	$ 8,408,038	$ 1,350,595	$ 9,758,633
2026	7,715,592	1,014,273	8,729,865
2027	4,343,137	705,650	5,048,787
2028	3,880,695	531,924	4,412,619
2029	3,539,595	376,697	3,916,292
2030 - 2031	5,877,816	322,978	6,200,793
	$ 33,764,873	$ 4,302,117	$ 38,066,989

8. NON-CURRENT LIABILITIES

Non-current liability activity for the fiscal year ended August 31, 2025 was as follows:

	Balance September 1, 2024, restated	Additions	Reductions	Balance August 31, 2025	Current Portion
Series 2016 General Obligation Refunding Bonds	$ 17,985,000	$ -	$ (8,765,000)	$ 9,220,000	$ 9,220,000
Series 2017 General Obligation Refunding Bonds	18,030,000	-	(3,270,000)	14,760,000	3,440,000
Series 2021 Tax Notes	12,425,000	-	(9,985,000)	2,440,000	2,440,000
Series 2022 General Obligation Refunding Bonds	200,000	-	(100,000)	100,000	100,000
Series 2023 General Obligation Bonds	270,035,000	-	(49,440,000)	220,595,000	14,195,000
Unamortized bond premium	22,830,082	-	(4,244,838)	18,585,244	3,392,809
Subtotal bonds	341,505,082	-	(75,804,838)	265,700,244	32,787,809
Accrued arbitrage rebate	-	10,874,615	-	10,874,615	-
Compensable absences	20,520,479	12,633,036	(10,847,516)	22,305,999	15,582,971
Net pension liability	143,057,386	-	(7,021,056)	136,036,330	-
Net OPEB liability	211,525,038	21,431,372	-	232,956,410	6,612,729
Subscription Liability	33,764,873	22,493,940	(17,596,490)	38,662,323	11,583,381
Lease Liability	15,951,055	3,605,139	(5,788,872)	13,767,322	2,268,713
Total	$ 716,607,985	$ 44,939,023	$ (93,673,410)	$ 720,303,243	$ 68,835,603

Non-current liability activity for the fiscal year ended August 31, 2024 was as follows:

	Balance September 1, 2023	Additions	Reductions	Balance August 31, 2024, restated	Current Portion
Series 2016 General Obligation Refunding Bonds	$ 24,500,000	$ -	$ (6,515,000)	$ 17,985,000	$ 8,765,000
Series 2017 General Obligation Refunding Bonds	21,140,000	-	(3,110,000)	18,030,000	3,270,000
Series 2021 Tax Notes	22,220,000	-	(9,795,000)	12,425,000	9,985,000
Series 2022 General Obligation Refunding Bonds	300,000	-	(100,000)	200,000	100,000
Series 2023 General Obligation Bonds	307,355,000	-	(37,320,000)	270,035,000	42,440,000
Unamortized bond premium	27,742,467	-	(4,912,385)	22,830,082	4,135,496
Subtotal bonds	403,257,467	-	(61,752,385)	341,505,082	68,695,496
Compensable absences	16,931,651	15,442,539	(11,853,711)	20,520,479	14,335,606
Net pension liability	117,653,085	25,404,301	-	143,057,386	-
Net OPEB liability	210,156,164	1,368,874	-	211,525,038	5,916,651
Subscription Liability	-	33,764,873	-	33,764,873	8,408,038
Lease Liability	-	15,951,055	-	15,951,055	2,183,734
Total	$ 747,998,367	$ 42,215,714	$ (73,606,096)	$ 766,323,913	$ 99,539,525

9. DEBT OBLIGATIONS

The College has authorized debt of General Obligation (GO) bonds. GO bonds are authorized by the Board and approved by the voters of the College's service area and secured by an ad valorem tax rate Interest & Sinking (I&S) portion to cover the debt service of the bonds.

The following table shows the debt service for the GO bonds and Tax Notes for the next five years and thereafter:

	GO & GO Refunding Bonds		Tax Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Year ending August 31:						
2026	$ 26,955,000	$ 11,442,900	$ 2,440,000	$ 7,686	$ 29,395,000	$ 11,450,586
2027	18,530,000	10,306,350	-	-	18,530,000	10,306,350
2028	19,465,000	9,375,375	-	-	19,465,000	9,375,375
2029	20,420,000	8,436,450	-	-	20,420,000	8,436,450
2030	17,335,000	7,531,875	-	-	17,335,000	7,531,875
2031 - 2037	141,970,000	25,281,250	-	-	141,970,000	25,281,250
Total	$ 244,675,000	$ 72,374,200	$ 2,440,000	$ 7,686	$ 247,115,000	$ 72,381,886

10. BONDS PAYABLE

A chart of each bond issue is listed below.

Series	Bond Type	Bonds Issued to Date	Range of Interest Rates	Maturities		
				First Year	Last Year	First Call Date
2008	General Obligation Bonds	$ 211,975,000	3.50% - 5.00%	2009	2028	2/15/2019
2009	General Obligation Bonds	$ 102,985,000	1.50% - 5.00%	2010	2029	2/15/2020
2021	Tax Notes	$ 51,000,000	0.63%	2021	2026	Anytime @ Premium
2023	General Obligation Bonds	$ 325,845,000	5.00%	2023	2037	2/15/2025

On April 30, 2025, the College placed in escrow $7,121,304 of ad valorem tax collections for the early extinguishment of $7,000,000 of its Series 2023 General Obligation Bonds due in 2037. The escrow agent placed $7,118,510 of the funds into United States Treasury Securities - State and Local Series ("SLUGS") and $2,794 was used to cover transaction costs. The SLUGS earned sufficient returns to fully pay off $7,000,000 principal amount of the bonds plus $175,000 interest due on August 15, 2025. A loss of $11,962 was incurred and recognized in the fiscal year.

In 2025, the College incurred $13,876,814 on bond interest cost, of which $13,876,814 was expensed after premium amortization for GO Bonds and Advance Refunding Bonds. In 2024, the College incurred $16,462,921 on bond interest cost, of which $16,462,921 was expensed after premium amortization.

11. ADVANCE REFUNDING BONDS

Series	Bond Type	Bonds Issued to Date	Range of Interest Rates	Maturities		
				First Year	Last Year	First Call Date
2016	General Obligation Refunding Bonds	$ 122,415,000	3.00% - 5.00%	2017	2028	2/15/2027
2017	General Obligation Refunding Bonds	$ 60,665,000	3.00% - 5.00%	2018	2029	2/15/2028
2022	General Obligation Refunding Bonds	$ 22,450,000	3.85%	2023	2026	2/15/2023

12. DEFEASED BONDS OUTSTANDING

On April 30, 2025, $7,000,000 of the Series 2023 Bonds scheduled to mature on February 15, 2037 were defeased. As of August 31, 2025, $17,600,000 of the 2037 maturities remained outstanding; all other maturities remained as scheduled.

As of August 31, 2025, the College had $100,000 in remaining principal for GO Refunding Bonds Taxable Series 2022 which was issued on October 11, 2022 in the original amount of $22,450,000. These bonds were defeased from the 2016 General Obligation Refunding bonds.

As of August 31, 2024, the College had $200,000 of these defeased bonds outstanding.

13. EMPLOYEES' RETIREMENT PLAN

The State of Texas has joint contributory retirement plans for almost all its employees. Full-time employees participate in either the Teacher Retirement System of Texas (TRS) or the Optional Retirement System (ORP).

Teacher Retirement System of Texas – Defined Benefit Plan

Plan Description - College participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by TRS. The TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position - Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained online at https://www.trs.texas.gov/sites/default/files/migrated/TRS-Documents-trs-acfr-2024.pdf , or by writing to TRS at 1000 Red River Street, Austin, Texas, 78701-2698.

Benefits Provided - TRS provides service and disability retirement, as well as death and survivor benefits to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLA). Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular actions, the time required to amortize TRS' unfunded actuarial liabilities would be

increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

The 85th Texas Legislature, General Appropriations Act (GAA) affirmed that contribution rates for fiscal years 2018 and 2019 would remain the same as the previous years.

Contributions - Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 through 2025.

Member Rates	8.25%	8.25%
Non-Employer Contributing Entity (State)	4.125%	4.125%
Employers	4.125%	4.125%

Fiscal Year 2025 Member Contributions	$ 12,550,106
Fiscal Year 2025 State of Texas On-Behalf Contributions	$ 9,815,850
Fiscal Year 2025 College Contributions	$ 12,394,628

The College's contributions to the TRS pension plan fiscal year 2025 were $13,957,010 as reported in the Schedule of College Contributions in the Required Supplementary Information section of these financial statements. Estimated State of Texas on-behalf contributions for fiscal year 2025 were $11,472,498.

- As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers.

Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Actuarial Assumptions – The total pension liability in the August 31, 2023, actuarial valuation rolled forward to August 31, 2024 using the following actuarial assumptions:

Valuation date	8/31/2023 rolled forward to August 31, 2024
Actuarial cost method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial assumptions:	
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate	3.87% *
Last year ending August 31 in Projection Period (100 years)	2123
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None

* Source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.

The actuarial methods and assumptions were selected by the TRS Board of Trustees based upon analysis and recommendations by the system's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the four-year period ending August 31, 2021 and were adopted in July 2022. The actuarial assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023.

Discount Rate – The single discount rate used to measure the total pension liability was 7.00%. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers, and the non-employer contributing entity will be made at the rates set by the Legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.50% of payroll in fiscal year

2024 gradually increasing to 9.56% in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the system's target asset allocation, as of August 31, 2024, are summarized in the following chart.

Table 3.A.1: Asset Allocations

Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.0 %	4.4 %	1.0 %
Non-US Developed	13.0	4.2	0.8
Emerging Markets	9.0	5.2	0.7
Private Equity	14.0	6.7	1.2
Stable Value			
Government Bonds	16.0	1.9	0.4
Stable Value Hedge Funds	5.0	3.0	0.2
Absolute Return*	0.0	4.0	0.0
Real Return			
Real Estate	15.0	6.6	1.2
Energy, Natural Resources & Infrastructure	6.0	5.6	0.4
Commodities	0.0	2.5	0.0
Risk Parity	8.0	4.0	0.4
Asset Allocation Leverage			
Cash	2.0	1.0	0.0
Asset Allocation Leverage	(6.0)	1.3	(0.1)
Inflation Expectation			2.4
Volatility Drag****			(0.7)
Expected Return	**100.0 %**		**7.9 %**

*Absolute Return includes Credit Sensitive Investments.

**Target allocations are based on the FY2024 policy model.

***Capital Market Assumptions (CMA) come from 2024 SAA Study CMA Survey (as of 12/31/2023)

****The volatility drag results from the conversion between arithmetic and geometric mean returns.

Source: Teachers Retirement System of Texas 2024 Annual Comprehensive Financial Report.

Discount Rate Sensitivity Analysis – The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (7.00%) in measuring the 2024 Net Pension Liability.

	2025		
	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
College's proportionate share of the net pension liability	$ 217,284,489	$ 136,036,330	$ 68,716,454

	2024		
	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
College's proportionate share of the net pension liability	$ 213,878,714	$ 143,057,386	$ 84,169,413

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At August 31, 2025, College reported a liability of $136,036,330 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for state pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the College were as follows:

2025	
College's proportionate share of the collective net pension liability	$136,036,330
State's proportionate share that is associated with College	106,398,482
Total	$242,434,812

2024	
College's proportionate share of the collective net pension liability	$143,057,386
State's proportionate share that is associated with College	111,657,440
Total	$254,714,826

The net pension liability was measured as of August 31, 2023 and rolled forward to August 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net pension liability was 0.2227030618% which was an increase of 0.014438897% from its proportion measured as of August 31, 2023 (0.2082641648%).

Changes Since the Prior Actuarial Valuation – The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

For the fiscal year ended August 31, 2025, the College recognized pension expense of $12,716,397 and revenue of $12,716,397 for support provided by the State. Refer to the Schedule of On-Behalf Contributions for this information posted on the TRS website under GASB Statements No. 67, *Financial Reporting for Pension Plans,* and No. 68, *Accounting and Financial Reporting for Pensions*.

At August 31, 2025, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 7,498,137	$ 1,062,105
Changes in actuarial assumptions	7,023,847	941,658
Difference between projected and actual investment earnings	826,918	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	9,396,797	3,863,086
Contributions paid to TRS subsequent to the measurement date (calculated by the College)	13,957,010	-
Total	$ 38,702,709	$ 5,866,849

The $13,957,010 reported as deferred outflows of resources resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending August 31, 2026.

At August 31, 2024, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 5,097,183	$ 1,732,268
Changes in actuarial assumptions	13,530,427	3,311,204
Difference between projected and actual investment earnings	20,818,322	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	5,036,608	5,663,516
Contributions paid to TRS subsequent to the measurement date (calculated by the College)	12,394,628	-
Total	$ 56,877,168	$ 10,706,988

The $12,394,628 reported as deferred outflows of resources resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2025.

The net amounts of the employer's fiscal year 2025 of deferred outflows of resources and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending August 31	Pension Expense Amount
2026	$ 1,096,609
2027	15,125,044
2028	2,449,903
2029	(1,611,790)
2030	1,319,084
Total	$ 18,378,850

The net amounts of the employer's fiscal year 2024 of deferred outflows of resources and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending August 31	Pension Expense Amount
2025	$ 7,215,356
2026	3,521,009
2027	16,648,247
2028	5,317,413
2029	1,073,527
Total	$ 33,775,552

Optional Retirement Plan – Defined Contribution Plan

Plan Description - Eligible faculty and administrative personnel may participate in an optional retirement plan in lieu of the TRS plan. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

Funding Policy - Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. Benefits fully vest after one year plus one day of employment. In certain circumstances, the reporting college is required to make all or a portion of the state's contribution amounts. Senate Bill (SB)1812, 83rd Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

Since these are individual annuity contracts, the state and the College have no additional or unfunded liability for this program.

Optional Retirement Plan Contribution Rates	2025*	2024*
Member Contribution of Annual Compensation	6.65%	6.65%
State Contribution of Participant's Salary	6.60%	6.60%
College Contribution of Participant's Annual Compensation for:		
Participants Enrolled Prior to September 1, 1995	1.90%	1.90%
Participants Enrolled After September 1, 1995	0.00%	0.00%

* State Contribution is 50% of eligible employees based on headcount maximum and no adjustments for enrollment growth.

The total ORP expense to the State for the College was $1,691,136 and $1,588,904 for fiscal years 2025 and 2024, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

Year Ended August 31	Total Payroll for All College Employees	College's Payroll Covered by TRS	College's Payroll Covered by ORP	State's Contribution for ORP
2025	$ 397,919,457	$ 308,199,115	$ 51,246,533	$ 1,691,136
2024	354,527,214	273,061,987	48,148,615	1,588,904
2023	313,533,096	239,498,850	44,948,455	1,483,299
2022	290,798,333	205,157,346	47,702,457	1,539,838

14. DEFERRED COMPENSATION PLAN

The College has established a deferred compensation plan under which selected executives may elect to defer a portion of their earnings for tax and investment purposes pursuant to authority granted in Government Code §609.001. For the fiscal years ended August 31, 2025 and 2024, the College had one employee participating in the program.

It is the opinion of the College's legal counsel that the College has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The College believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

15. COMPENSATED ABSENCES

Full-time staff and administrators earn annual leave from one to two days per month. The policy of the College is that an employee may carry his or her accrued leave forward from one fiscal year to another fiscal year with a maximum number of 384 hours. Employees with at least 60 days of service who terminate their employment are entitled to payment for all accumulated annual leave up to the maximum allowed. Sick leave, which can be accumulated up to 528 hours, is earned at the rate of one day per month. The policy of the College is to recognize the cost of sick leave when paid. Employees are not entitled to be paid for sick leave accrued but not taken upon termination. Accordingly, no liability for sick leave is reflected in the accompanying Statements of Net Position. The same applies to extenuating circumstance leave, which accrues at a rate of 2 days per year to a maximum of 4 days and is not payable on termination.

During the current year, the College implemented GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

In conjunction with this implementation, the College revised its methodology for compensated absences liabilities by adopting a Last-In, First-Out (LIFO) assumption to better reflect the actual usage patterns of employee leave absences. Under the new guidance, the recognition threshold is reduced to More Likely Than Not (MLTN), generally considered to be greater than 50%. The MLTN percentage of hours/days to be used for time off is 0%.

The effect of change in accounting principle is summarized below:

	Accrued Liability for Unpaid Annual Leave for the Fiscal Year Ended August 31,	
	2025	2024, restated
Balance as of September 1,	$ 20,520,479	$ 16,931,651
Leave Accruals/Adjustments	12,633,036	13,688,430
Leave Used	(10,847,516)	(11,853,711)
Restatement of Beginning Net Position- Implementation of GASB 101 (See Note 29)		1,754,109
Balance as of August 31,	$ 22,305,999	$ 20,520,479
Current Liability	$ 15,582,971	$ 14,335,606
Non-Current Liability	$ 6,723,028	$ 6,184,873

16. HEALTH CARE AND LIFE INSURANCE BENEFITS

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees. Employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The State recognizes the cost of providing these benefits by expending the annual insurance premiums.

State/Employer Contribution for Health Care Insurance
(includes basic life insurance rate)

HealthSelect of Texas Plan	2025 State/Employer Contribution	2025 Annualized Contribution
Member Only	$ 624.82	$ 7,497.84
Member & Spouse	982.82	11,793.84
Member & Child(ren)	864.52	10,374.24
Member & Family	1,222.52	14,670.24

HealthSelect of Texas Plan	2024 State/Employer Contribution	2024 Annualized Contribution
Member Only	$ 624.82	$ 7,497.84
Member & Spouse	982.82	11,793.84
Member & Child(ren)	864.52	10,374.24
Member & Family	1,222.52	14,670.24

The cost of retirees and active employees' health care is provided.

Cost of Providing Health Care Insurance	2025	2024
Number of Retirees	1,550	1,582
Cost of Health Benefits for Retirees	$ 13,297,644	$ 13,482,105
Number of Active Full-Time Employees	3,837	3,611
Cost of Health Benefits for Active Full-Time Employees	$ 32,277,311	$ 30,465,719
State Appropriation for Health Insurance-Retirees	$ 6,352,870	$ 6,447,205
State Appropriation for Health Insurance-Active	$ 13,353,603	$ 12,652,561
Net Cost to College	$ 25,868,482	$ 24,848,057

17. POSTEMPLOYMENT BENEFIT PLANS OTHER THAN PENSIONS

Plan Description — College participates in a cost-sharing multiple-employer defined-benefit other post-employment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). The GBP provides certain postemployment health care, life, and dental insurance benefits to retired employees of participating universities, community colleges, and state agencies in accordance with Chapter 1551, Texas Insurance Code. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the state and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by state law and may be amended by the Texas Legislature.

OPEB Plan Fiduciary Net Position — Detailed information about the GBP's fiduciary net position is available in the separately issued ERS replace with Annual Comprehensive Financial report (ACFR) that includes financial statements, notes to the financial statements, and required supplementary information. That report may be obtained by visiting https://ers.texas.gov/About-ERS/Reports-and-Studies/Reports-on-Overall-ERS-Operations-and-Financial-Management; ; or by writing to ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

Benefits Provided — Retiree health benefits offered through the GBP are available to most state of Texas retirees and their eligible dependents. Participants need at least 10 years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

Contributions — Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendations of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated, and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to

be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

The following table summarizes the maximum monthly employer contribution toward eligible retirees' health and basic life premium, which is based on a blended rate. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

Maximum Monthly Employer Contribution
Retiree Health and Basic Life Premium
Fiscal Year 2025

Retiree only	$ 624.82
Retiree & spouse	1,340.82
Retiree & children	1,104.22
Retiree & family	1,820.22

Contributions of premiums to the GBP plan for the current and prior fiscal year by source is summarized in the following table:

Premium Contributions by Source
Group Benefits Program Plan
For the Years Ended August 31, 2025 and 2024

Contribution Rates	2025	2024
Member contributions	$1,488,796	$1,440,529
State of Texas on-behalf contributions	6,352,870	5,096,488
College Contributions	5,300,120	4,841,290

Actuarial Assumptions — The total OPEB liability was determined by an actuarial valuation as of August 31, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions
ERS Group Benefits Program Plan

Valuation date	August 31, 2024
Actuarial cost method	Entry Age
Amortization Method	Level Percent of Payroll, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Not applicable
Actuarial assumptions:	
Discount rate	3.87%
Projected annual salary increase	2.30% to 8.95%, including inflation
Annual healthcare trend rate	5.60% for FY2026, 5.60% for FY2027, 5.25% for FY2028, 5.00% for FY2029, 4.75% for FY2030, 4.50% for FY2031 decreasing 10 basis points per year to 4.30% for FY2033 and later years
Inflation assumption rate	2.30%
Ad hoc post-employment benefit changes	None

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Investment Policy — The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2022 to require that all funds in the plan be invested in cash and equivalent securities.

Discount Rate — Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bond rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 3.81%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 3.87%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go basis and is not intended to accumulate assets, there is no long-term expected rate of

return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return applicable is zero years.

Discount Rate Sensitivity Analysis — The following schedule shows the impact on College's proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (3.87%) in measuring the net OPEB Liability.

	2025		
	1% Decrease in Discount Rate (2.87%)	Discount Rate (3.87%)	1% Increase in Discount Rate (4.87%)
College's proportionate share of the net OPEB liability	$ 271,046,126	$ 232,956,410	$ 202,388,989

	2024		
	1% Decrease in Discount Rate (2.81%)	Discount Rate (3.81%)	1% Increase in Discount Rate (4.81%)
College's proportionate share of the net OPEB liability	$ 245,444,420	$ 211,525,038	$ 184,242,811

Healthcare Trend Rate Sensitivity Analysis — The initial healthcare trend rate is 5.6% and the ultimate rate is 4.3%. The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (5.6% decreasing to 4.3%) in measuring the net OPEB Liability.

	2025		
	1% Decrease in Healthcare Cost Trend Rates (4.60% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (5.60% decreasing to 4.30%)	1% Increase in Healthcare Cost Trend Rates (6.60% decreasing to 5.30%)
College's proportionate share of the net OPEB liability	$ 199,888,316	$ 232,956,410	$ 275,109,319

	2024		
	1% Decrease in Healthcare Cost Trend Rates (4.60% decreasing to 3.30%)	Current Healthcare Cost Trend Rates (5.60% decreasing to 4.30%)	1% Increase in Healthcare Cost Trend Rates (6.60% decreasing to 5.30%)
College's proportionate share of the net OPEB liability	$ 181,940,932	$ 211,525,038	$ 249,097,001

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB — At August 31, 2025, College reported a liability of $232,956,410 for its proportionate share of the ERS's net OPEB Liability. This liability reflects a decrease for State support provided to the College for OPEB. The amount recognized by the College as its proportionate share of the net OPEB liability, the State support and the total portion of the net OPEB liability that was associated with College were as follows:

2025	
College's proportionate share of the collective net OPEB liability	$ 232,956,410
State's proportionate share that is associated with College	189,064,261
Total	$ 422,020,671

2024	
College's proportionate share of the collective net OPEB liability	$ 211,525,038
State's proportionate share that is associated with College	171,732,513
Total	$ 383,257,551

The net OPEB liability was measured as of August 31, 2024 and the total OPEB liability was used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2023 through August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net OPEB liability was 0.79492142%, which was slightly higher than the proportion measured at August 31, 2023 of 0.79170882%.

For the year ended August 31, 2025, the College recognized a reduction of OPEB expense of $38,958 and revenue of $38,958 for support provided by the State.

Changes Since the Prior Actuarial Valuation — Changes in Actuarial Assumptions
Since the last valuation was prepared for this plan, demographic assumptions (including the mortality projection scale for all State Agency members; base mortality for Judges; assumed rates of retirement for certain members who are Regular Class, Elected Class or Certified Peace Officers/Custodial Officers (CPO/CO); assumed rates of termination for certain members who are Regular Class, Judges or Certified Peace Officers/Custodial Officers (CPO/CO); and assumed rates of disability for all State Agency members) have been updated to reflect assumptions recently adopted by the ERS Trustees.

These new assumptions were adopted to reflect an experience study on the ERS retirement plan performed by the ERS retirement plan actuary.

In addition, assumed Per Capita Health Benefit Costs and assumed Health Benefit Cost and Retiree Contribution trends have been updated to reflect recent experience and its effects on our short-term expectations. In addition, (a) the percentage of future retirees assumed to be married and electing coverage for their spouse, (b) the proportion of future retirees assumed to elect health coverage at retirement and the proportion of future retirees expected to receive the Opt-Out Credit at retirement, and (c) the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act and the rate of future increases in the fee have been updated to reflect recent plan experience and expected trends

The discount rate assumption was changed from 3.81% as of August 31, 2023 to 3.87% as of August 31, 2024 as a result of requirements of GASB Statement No. 74 to utilize the yield or index rate for 20-year, tax exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Changes of Benefit Terms Since Prior Measurement Date — There were no changes of benefit terms since the prior valuation.

At August 31, 2025, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ 3,843,508
Changes in actuarial assumptions	12,754,254	46,406,682
Difference between projected and actual investment earnings	-	8,905
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	11,348,557	13,174,519
Contributions paid to ERS subsequent to the measurement date (calculated by the College)	5,300,122	-
Total	$ 29,402,933	$ 63,433,614

The $5,300,120 reported as deferred outflows of resources related to OPEB resulting from College contributions paid subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending August 31, 2026.

The net amounts of the employer's balances of deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending August 31	OPEB Expense Amount
2026	$ (18,448,648)
2027	(15,702,944)
2028	(7,686,466)
2029	1,482,536
2030	1,024,719
Total	$ (39,330,803)

18. COMMITMENTS AND CONTINGENCIES

Commitments — The College has entered into contracts for the planning and construction of new facilities, as well as for the renovation and repair of existing campuses. Commitments remaining under such contracts at August 31, 2025 are $12,956,530.

Pending Lawsuits and Claims — On August 31, 2025, various claims and lawsuits involving the College are pending. In the opinion of College administration, the potential loss on all claims and lawsuits, to the extent not provided for by insurance or otherwise, will not be significant to the financial statements of the College. A lawsuit was filed in 2019 to invalidate the voting results authorizing College to issue general obligation bonds to improve College facilities and technologies. The lawsuit was ruled in the College's favor during fiscal year 2023 and the College has commenced with the issuance of bonds and improvements to the facilities.

Contingencies — The College has received Federal, State, and other financial assistance in the form of contracts and grants that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agency for expenses disallowed under terms and conditions specified in the grant agreements. In the opinion of College management, such disallowed expenses, if any, will not be significant to the financial statements of the College.

On August 25, 2008, College sold a building to the University of North Texas. A clause in the original deed requires that the College remain in the line of guarantors on two ground leases, which are in effect through 2047 and 2048. The probability of having to pay the ground leases is remote since the University of North Texas is the current owner and the College follows them or any future owners in the line of priority for the guarantee. The potential amount owed through the end of the leases is in excess of $3.0 million. However, because the probability of having to pay is remote, the College has not accrued a liability.

19. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables—Receivables for the fiscal years ended August 31, 2025 and 2024 were as follows:

	2025	2024
Ad valorem taxes	$ 15,838,258	$ 14,318,683
Student tuition and charges	70,026,149	42,670,852
Accounts Receivable		
Federal grants	7,550,075	20,349,147
State grants	606,720	242,042
Local grants	3,868,495	4,606,453
Leases	5,491,817	5,547,979
Interest on investments	2,227,674	1,661,042
Other receivables	1,496,927	356,647
Total receivables	107,106,115	89,752,845
Less allowances for uncollectible amounts		
Ad valorem taxes	(12,741,659)	(11,643,290)
Student tuition and charges	(20,398,338)	(21,298,490)
Other receivables	(254,408)	(263,360)
Total allowances	(33,394,405)	(33,205,140)
Total receivables, net of allowances	$ 73,711,710	$ 56,547,705

The College implemented GASB Statement No. 87 for Leases in fiscal year 2023. The College has one lease which qualifies for GASB Statement No. 87. The College is the lessor on the lease and the lease is for land owned by the College. The lease requires annual fixed payments and terminates on December 31, 2051. The rent paid under the lease through December 31, 2036 is $500,000 per year. In years 2037 through 2046, the annual rent will be $525,000 per year and for calendar years 2047 through 2051, the annual rent is $550,000 per year.

As of August 31, 2025, the College's receivable for lease payments was $5,491,817. The College also recognized a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term.

Principal and interest requirements to maturity for the lease receivable at August 31, 2025 are as follows:

Year Ending	Principal	Interest	Total
2026	$ 60,655	$ 439,345	$ 500,000
2027	65,507	434,493	500,000
2028	70,748	429,252	500,000
2029	76,407	423,593	500,000
2030-2033	371,844	1,628,156	2,000,000
Thereafter	4,846,656	4,470,010	9,316,666
Total	$ 5,491,817	$ 7,824,849	$ 13,316,666

Payables—Accounts Payable for the fiscal years ended August 31, 2025 and 2024 were as follows:

	2025	2024
Vendors payable	$ 20,770,389	$ 43,344,122
Students payable	70,651	(534,260)
Employee payable	84,754	-
Total accounts payable	$ 20,925,794	$ 42,809,862

20. FUNDS HELD IN TRUST BY OTHERS

The College holds funds for certain student organizations and other agencies. These amounts are reflected in the basic financial statements as funds held for others in the amounts of $2,201,099 and $2,379,862 for 2025 and 2024, respectively.

21. CONTRACTS AND GRANT AWARDS

Contracts and grant awards are accounted for in accordance with generally accepted accounting principles in the United States. Funds received but not expended during the reporting period are shown as deferred revenues on the Statements of Net Position. Revenues are recognized on the Statements of Revenues, Expenses, and Changes in Net Position as funds are actually expended. For Federal contract and grant awards, funds expended but not collected are reported as accounts receivables on the Statements of Net Position. Non-federal contract and grant awards for which funds are expended but not collected are also reported as accounts receivables on the Statements of Net Position. Contract and grant awards that are not yet funded and for which the institution has not yet performed services are not included in the financial statements. Contract and grant award funds already committed, or funds awarded during fiscal years 2025 and 2024 for which monies have not been received nor funds expended totaled $140,760,209 and $116,736,744, respectively.

These amounts are comprised of the following:

Contracts and Grant Awards	2025	2024
Federal	$109,258,564	$109,516,926
State	16,163,942	1,635,841
Local	15,337,703	5,583,977
Total Contracts and Grant Awards	$140,760,209	$116,736,744

22. SELF-INSURED PLANS

The College is exposed to various risks of loss related torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College has assessed its risks and selected a combination of insurance coverages and self-insurance to mitigate losses in these areas.

The College after deductibles fully insures its buildings, structures, contents, and equipment with the purchase of commercial property insurance and also procures general and excess liability insurance coverages for operating errors and omissions. Settlements with claimants for torts, property thefts and damage, and errors and omissions during the fiscal years ended August 31, 2025, 2024, and 2023 did not exceed insurance coverages after deductibles.

The College self-insures for injuries to employees (workers' compensation) and autos. At August 31, 2025 and 2024, the College accrued against losses $3,514 for auto claims.

Prior to August 31, 1998, the College was self-insured for workers' compensation. Effective September 1, 1998, the College implemented a guaranteed cost workers' compensation insurance program to handle employee injury claims. The College returned to a self-insured plan effective September 1, 2002 and is backed with excess workers' compensation coverage. The accrued liability balance is based upon third party actuarial information for expected future payments on incurred claims. Future payments for the incurred claims will be paid from the accrued liability. Settlements of workers' compensation claims during the fiscal years ended August 31, 2025, 2024, and 2023 did not exceed minimum dollar amounts required to invoke excess workers' compensation coverages.

In 2023, the Self-insurance liability for claims prior to August 31, 1998 were merged with claims for the workers' compensation plan after September 1, 2002. Prior to the merger in 2023, no claims were paid from the accrual of $244,361 balance at August 31, 2022. As a result, the liability accrual was transferred to that for the after September 1, 2002 liability.

Self-insurance activity for the current workers' compensation plan for the fiscal years ended August 31, 2025, 2024 and 2023 was as follows:

Accrued Claim Liability for the Fiscal Year Ended August 31	Balance September 1	Additions	Reductions in Liability/ Claims Paid	Balance August 31
2025	$ 800,000	$ 291,014	$ (491,014)	$ 600,000
2024	$ 800,000	$ 528,422	$ (528,422)	$ 800,000
2023	$ 650,000	$ 592,607	$ (442,607)	$ 800,000

23. AD VALOREM TAX

Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year. Taxes levied for the fiscal years ended August 31, 2025 and 2024 were $447,253,671 and $425,348,301, respectively (which includes any penalties and interest assessed, if applicable).

Tax rates for the fiscal years ended August 31, 2025 and 2024 are as follows:

	2025		
	Current Operations	Debt Service	Total
Authorized tax rate per $100 valuation (Maximum per enabling legislation)	$ 0.16000	$ 0.50000	$ 0.66000
Assessed tax rate per $100 valuation	$ 0.08606	$ 0.01954	$ 0.10560

	2024		
	Current Operations	Debt Service	Total
Authorized tax rate per $100 valuation (Maximum per enabling legislation)	$ 0.16000	$ 0.50000	$ 0.66000
Assessed tax rate per $100 valuation	$ 0.09026	$ 0.01977	$ 0.11003

At August 31, 2025 and 2024 certified valuation for property taxed by the College was as follows:

	2025	2024
Assessed valuation of College	$ 561,318,654,610	$ 503,256,838,570
Less: exempt property	(49,569,773,277)	(44,669,264,000)
Less: exemptions and Capped Loss	(88,677,127,997)	(72,525,072,857)
Net assessed valuation of College	$ 423,071,753,336	$ 386,062,501,713

The Dallas County Tax Assessor-Collector is the Collecting Agency for the levy and remits the collections to the College, net of a collection fee. Tax proceeds are used for either maintenance and operations of the College or restricted for the funding interest and sinking requirements for GO bond debt service.

Gross taxes collected for fiscal year 2025:

Gross Taxes Collected - 2025	Maintenance & Operations	Interest & Sinking	2025 Total
Current	$ 360,027,804	$ 81,900,081	$ 441,927,885
Delinquent	2,366,532	242,907	2,609,439
Penalties & Interest	108,216	-	108,216
Total Gross Collections	$ 362,502,552	$ 82,142,988	$ 444,645,540
Less:			
Appraisal & Collection Fees	(3,969,930)	(472,938)	(4,442,868)
Bad Debt Expense	(832,929)	(265,440)	(1,098,369)
Total Net Collections	$ 357,699,693	$ 81,404,610	$ 439,104,303

Gross taxes collected for fiscal year 2024:

Gross Taxes Collected - 2024	Maintenance & Operations	Interest & Sinking	2024 Total
Current	$ 344,398,038	$ 75,806,112	$ 420,204,150
Delinquent	1,821,825	312,599	2,134,424
Penalties & Interest	14,210	-	14,210
Total Gross Collections	$ 346,234,073	$ 76,118,711	$ 422,352,784
Less:			
Appraisal & Collection Fees	(3,904,826)	(211,248)	(4,116,073)
Bad Debt Expense	(602,515)	(362,657)	(965,172)
Total Net Collections	$ 341,726,732	$ 75,544,807	$ 417,271,539

Tax collections for the fiscal years ended August 31, 2025 and 2024 were approximately 99% of the current tax levy for both years. Allowances for uncollectible taxes (See Note 19) are based upon historical experience in collecting ad valorem taxes.

Under GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, ad valorem taxes are imposed non-exchange revenue. Assets from imposed non-exchange transactions are recorded when the entity has an enforceable legal claim to the asset or when the entity receives resources, whichever comes first. The enforceable legal claim date for ad valorem taxes is the assessment date. Accordingly, the College has recognized all assessed taxes in the current year and recorded a receivable for uncollected taxes.

24. TAX INCREMENT FINANCING DISTRICTS

The College participates in a tax increment financing district ("TIF") with the City of Garland. The City of Garland TIF #1 agreement expires in December 2024, and the 2025 payment reflects the final obligation under the agreement, corresponding to taxes assessed in calendar year 2024.

The following table summarizes the obligations of the College's involvement in the TIF:

TIF Title	Percentage of Incremental Tax Committed	Expiration Date	Taxes Forgone in 2025	Taxes Forgone in 2024
City of Garland #1	100%	2024	$ 105,822	$ 95,668

25. INCOME TAXES

The College is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, etc.*, although unrelated income may be subject to income taxes under Internal Revenue Code Section 511 (a)(2)(B), *Imposition of Tax on Unrelated Business Income of Charitable, etc., Organizations.* The College had no material unrelated business income tax liability for the fiscal years ended August 31, 2025 or 2024.

26. COMPONENT UNITS

DALLAS COLLEGE FOUNDATION, INC. —
DISCRETELY PRESENTED COMPONENT UNIT

Dallas College Foundation, Inc. (the "Foundation") was established as a separate non-profit organization in 1973 to raise funds to provide student scholarships and assistance in the development and growth of the College. Under GASB Statement No. 61, *The Financial Reporting Entity: Omnibus---An Amendment of GASB Statements No. 14 and No. 34,* and Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14,* an organization should report as a discretely presented component unit those organizations that raise and hold economic resources for the direct benefit of a government unit. Accordingly, the Foundation's financial statements are included in the College's annual comprehensive financial report as a discretely presented component unit as Exhibit 1A – Statements of Financial Position and Exhibit 2A – Statements of Activities for August 31, 2025 and 2024.

For financial information about the Dallas College Foundation, Inc., please contact the Foundation at: Dallas College Foundation, 1601 Botham Jean Blvd., Dallas, Texas 75215-1816 or visit their website at: https://foundation.dallascollege.edu/impact/annualreport/.

The following excerpts and notes are from the Foundation's audited financial statements.

Dallas College Foundation, Inc.
and Dallas College Enterprise Ventures, Inc.
(Texas Nonprofit Organizations)
Consolidated Statements of Financial Position
August 31, 2025 and 2024

	2025	2024
ASSETS		
Cash and cash equivalents	$ 5,350,440	$ 39,320,086
Accrued interest and dividends receivable	-	463,157
Pledges receivable, net	5,081,531	-
Investments	162,060,632	80,556,401
Total assets	$ 172,492,603	$ 120,339,644
LIABILITIES AND NET ASSETS		
Liabilities:		
Due to affiliate	$ 63,277	$ 56,562
Accounts payable	70,690	54,860
Total liabilities	133,967	111,422
Net assets:		
Without Donor Restrictions	21,443,354	16,732,557
With Donor Restrictions:		
Purpose restrictions	45,361,103	33,202,939
Perpetual in nature	105,554,179	70,292,726
	150,915,282	103,495,665
Total net assets	172,358,636	120,228,222
Total liabilities and net assets	$ 172,492,603	$ 120,339,644

NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Dallas College Foundation, Inc. (the "Foundation") is a nonprofit organization established in 1973. The Foundation's purpose is to provide financial support such as scholarships and grants to the Dallas College (the "College"), its students, faculty, and staff.

Formation of Supporting Organization

On June 17, 2025, the Foundation formed Dallas College Enterprise Ventures, Inc. ("the Supporting Organization"), a nonprofit corporation in the State of Texas that intends to seek recognition of tax-exempt status by the Internal Revenue Service as a Type I supporting organization. The Supporting Organization was established to support the mission of the College and the Foundation by generating new and innovative sources of revenue and innovation, including investment in mission-aligned independent ventures and investment opportunities and the pursuit of new lines of revenue-generating activities. The Foundation has sole ownership and control of the Supporting Organization as the Board of Directors of the Supporting Organization is appointed by the Board of Directors of the Foundation.

The consolidated financial statements include the accounts of the Foundation and the Supporting Organization. All balances and transactions between the consolidated entities have been eliminated, although the Supporting Organization has no transactions that have occurred in fiscal year 2025.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.

The Organization reports information regarding its financial position and activities according to two classes of net assets:

- Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be used for any operating purpose of the Organization.

- With Donor Restrictions – Net assets that are subject to donor-imposed stipulations that require the passage of time and/or the occurrence of a specific event, for them to be used. Some restricted net assets are required by donors to be maintained in perpetuity, with only the revenue from investments to be used for stated purposes

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks and investments that are available for current use with maturity dates of less than three months from the date of acquisition.

NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. In 2024, fixed income securities and mutual funds were measured at net asset value (NAV). In 2025, fixed income securities and mutual funds are measured at fair market value (FMV). The Foundation also began investing in alternative investments in fiscal year 2025 which are valued at fair value using NAV per share of its equivalent. Realized and unrealized gains and losses are reported in the consolidated statements of activities. Investment managers administer the Foundation's portfolio in a manner consistent with the investment goals and policies established by the Foundation's Board of Directors.

Revenue Recognition

The Organization records contributions received as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions.

Contributions are recognized as revenues in the period unconditional promises to give are received by the Organization. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are re-corded at their estimated fair value. Contributions to be received after one year are discounted using the risk-free rate as of the date the unconditional promise to give was received by the Organization. Amortization of discounts is recorded as additional contributions in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible receivables is provided based upon management's judgment including such factors as prior collection history, type of contribution and nature of fund-raising activity. Amounts deemed by management to be uncollectible are charged to expenses. Recoveries on receivables previously charged off are credited to expenses. Management believes that all outstanding pledges are collectible and no allowance is necessary as of August 31, 2025 and 2024.

Interest income is recognized on an accrual basis. Dividends are recorded on the ex-dividend date.

Federal Income Taxes

The Foundation is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the Code) of 1986, as amended, as an organization described in Section 501(c)(3) of the Code.

Thus, no provision for income taxes is included in the accompanying combined financial statements. The Foundation follows the accounting guidance for accounting for uncertainty in income taxes. The Foundation recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Foundation applied the uncertain tax position guidance to all tax positions for which the statute of limitations remained open and determined there were no material unrecognized tax benefits as of that date. The Foundation does not believe there is any uncertainty with respect to its tax position which would result in a material change to the financial statements.

The Foundation is subject to federal and state income taxes to the extent it has unrelated business income. In accordance with the guidance for uncertainty in income taxes, management has evaluated their material tax positions and determined that there are no income tax effects with respect to its financial statements.

NOTE A - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Foundation is no longer subject to examination by federal authorities for years prior to August 31, 2017. For state authorities, the statute of limitations is generally three or four years; however, the statute of limitations will remain open for any state returns not filed.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant estimates included in the consolidated financial statements are (a) present values of contributions receivable expected to be received beyond one year, and (b) the valuation of the investments at fair value.

Functional Expenses

The Organization's expenses are summarized and categorized based upon their functional classification as either program services or non-program services (development and management and general). Specific expenses that are readily identifiable to a single function are charged directly to that function. Certain categories of expenses are attributable to more than one function and require allocation on a reasonable basis that is consistently applied. Salaries are allocated based on the estimated percentage of time spent by each employee in the applicable functional area. Professional services include expenses for audit, form 990 preparation, investment portfolio management, consultants, and website services.

Recent Accounting Pronouncements Not Yet Adopted

In June 2022, the FASB issued ASU No. 2022-03, Fair Value Measurement (Topic 820). This update clarifies the guidance in Topic 820 when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of equity security. The amendments are effective for the Organization's annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Organization does not expect this change to impact its consolidated statements of financial position, of activities and changes in net assets, and of cash flows, or disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The amendments provide more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments are effective for the Organization's annual reporting periods beginning after December 15, 2025, with early adoption permitted. The guidance is to be applied prospectively, although retrospective application is permitted. The Organization will evaluate if this change impacts its consolidated statements of financial position, of activities and changes in net assets, and of cash flows, or disclosures.

NOTE B - INVESTMENTS

Effective July 19, 2024, the Dallas College Foundation finance committee approved a new investment advisory agreement with Commonfund OCIO. This agreement replaces the prior agreement with Fireside Capital Advisors, which was terminated October 1, 2024. The change was effected to provide Outsourced Chief Investment Officer services and a broader range of asset classes to the Foundation; assets were transferred to Commonfund in September and October 2024. The new agreement provides for a management fee of 25 basis points of the first $100 million of Quarterly Net Asset Value of the managed investments, with 21 basis points above the first $100 million.

Investments are composed of the following as of August 31:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Fixed income securities	$ -	$ -	$ 2,993,787	$ 4,954,942
Equity investments	-	-	3,706,539	5,874,008
Alternatives	133,078,768	145,571,207	-	-
Mutual funds	12,058,290	12,808,443	51,989,091	62,165,784
Exchange traded funds	1,146,750	1,210,500	3,038,404	3,063,764
U.S. Treasury Notes	2,390,796	2,470,482	4,418,751	4,497,903
Total Investments	$ 148,674,604	$ 162,060,632	$ 66,146,572	$ 80,556,401

Investment securities are exposed to various risks, such as interest rate, custodial and market credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term, and that such changes could significantly affect the amounts reported in the consolidated financial statements. Certificates of Deposit and U.S. Treasury Notes are classified as investments due to their maturity dates at the time of purchase. The maturity dates exceed the three-month period that determines how cash equivalents are defined.

For the years ended August 31, 2025 and 2024, the components of investment earnings are:

	2025	2024
Interest and dividend income	$ 720,311	$ 2,692,009
Net loss/gain on investments carried at fair value	13,293,447	9,642,179
Total return on investments	$ 14,013,758	$ 12,334,188

NOTE C - PLEDGES RECEIVABLE

Pledges receivable consist of the following unconditional promises to give:

	August 31,	
	2025	2024
Pledges Receivable - Less than one year	$ 2,700,000	$ -
Pledges Receivable - More than one year	2,700,000	-
Total Pledges Receivable	5,400,000	-
Less unamortized discounts	(318,469)	-
Total Pledges Receivable (net)	$ 5,081,531	$ -

NOTE D - DONOR RESTRICTED NET ASSETS

Donor restricted net assets are available for the following purposes:

	August 31,	
	2025	2024
Student scholarships for tuition and books	$ 48,535,284	$ 45,266,228
Professional development, student related activities, and program support	102,379,998	58,229,437
Total donor restricted net assets	$ 150,915,282	$ 103,495,665

NOTE E - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from restrictions consisting of funds with donor restrictions were due mainly to satisfaction of purpose restrictions. Net assets released from restrictions amounted to $11,040,446 and $7,855,721 for the years ended August 31, 2025 and 2024, respectively.

NOTE F - CONCENTRATION OF CREDIT RISK

The Organization maintains deposits in financial institutions. At times these deposits exceed amounts insured by the Federal Deposit Insurance Corporation. The Organization did not experience any losses in such accounts and believes it is not exposed to any significant credit risk in this regard.

NOTE G - RELATED PARTY TRANSACTIONS AND CONTRIBUTED SERVICES

The Foundation's payments to the College for scholarships and grants totaled $7,448,767 and $5,072,798 for fiscal years 2025 and 2024, respectively. At August 31, 2025 and 2024, the Foundation recorded a total of $63,277 and $56,562, respectively, for scholarships and grants payable to the College.

The salaries of Foundation employees have been donated by the College. The estimated fair value of these contributed services is $1,704,861 and $1,277,663 for fiscal years 2025 and 2024, respectively, and has been included in contributed salaries in revenue and management and general expenses in the accompanying consolidated statements of activities. The College also provided office space and equipment at no cost to the Foundation. Because the Foundation does not have a clearly measurable basis to estimate the value of these contributed facilities and equipment, no amounts have been reflected in the Organization's consolidated financial statements.

NOTE H - FAIR VALUE MEASUREMENTS

FASB ASC Topic 820, Fair Value Measurements, provides a framework for measuring fair value. FASB ASC Topic 820 also establishes a fair value hierarchy that distinguishes between inputs based on market data from independent sources (observable inputs) and a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs).

The fair value hierarchy in FASB ASC Topic 820 prioritizes fair value measurements into three levels based on the nature of the inputs. The three levels of the fair value hierarchy under FASB ASC Topic 820 are as follows:

Level 1 - Investments are valued based on quoted prices in active markets for identical assets that are accessible at the measurement date. An active market is a market in which transactions for the assets occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Investments are valued based on inputs, in the absence of actively quoted market prices, which are observable for the asset, either directly or indirectly. Level 2 inputs include: (a) quoted prices for similar assets in active markets, (b) quoted prices for identical or similar assets in markets that are not active, (c) inputs other than quoted prices that are observable for the asset such as interest rates and yield curves observable at commonly quoted intervals, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Investments are valued based on unobservable inputs for assets. Unobservable inputs are used to the extent observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used to be needed to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value measurement of an asset (e.g., an investment) is required to fall in its entirety in one level, based on the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset being measured.

NOTE H - FAIR VALUE MEASUREMENTS - Continued

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the closing price reported on the active market in which the individual securities are traded.

Exchange traded funds: Valued at the closing price reported on the active market in which the individual securities are traded.

U.S. treasury notes: Valued at the closing price reported on the active market on which the individual securities are traded.

Alternative Investments: which include hedge funds, private credit funds, private equity funds, real estate investment trusts, and other private funds, are valued at fair value using NAV per share or its equivalent, as reported by the respective fund managers. The NAV is based on the fair value of the underlying assets and liabilities of each fund, determined in accordance with the fund's governing documents and valuation policies. The Organization reviews the NAV and related valuation methodologies for reasonableness and considers any restrictions on redemption or other factors that may affect fair value. These investments are not included in the fair value hierarchy when the NAV practical expedient is used.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE H - FAIR VALUE MEASUREMENTS - Continued

Fair Value Hierarchy

Investments measured at NAV as a practical expedient are not classified within the fair value hierarchy (Level 1, 2, or 3). The table above provides additional information about the nature and liquidity of these investments. The following table presents the investments carried at fair value as of August 31, 2025 and 2024, by caption by the valuation hierarchy (as described above):

August 31, 2025	Fair Value Measurement Using Input Considered as:			
	Level 1	Level 2	Level 3	Total
Equity investments	$ -	$ -	$ -	$ -
Mutual Funds	12,808,443	-	-	12,808,443
Exchange Traded Funds	1,210,500	-	-	1,210,500
U.S. Treasury Bills	-	2,470,482	-	2,470,482
	$ 14,018,943	$ 2,470,482	$ -	$ 16,489,425
Investments measured at NAV	$ -	$ -	$ -	$ 145,571,207
Investments at fair value	$ 14,018,943	$ 2,470,482	$ -	$ 162,060,632

August 31, 2024	Fair Value Measurement Using Input Considered as:			
	Level 1	Level 2	Level 3	Total
Equity investments	$ 5,874,008	$ -	$ -	$ 5,874,008
U.S. Treasury Bills	-	4,497,902	-	4,497,902
	$ 5,874,008	$ 4,497,902	$ -	$ 10,371,910
Investments measured at NAV	$ -	$ -	$ -	$ 70,184,491
Investments at fair value	$ 5,874,008	$ 4,497,902	$ -	$ 80,556,401

Changes in valuation techniques may result in transfers in or out of an investment's assigned level within the hierarchy. The investment portfolio recognizes transfers between fair value hierarchy levels at approximate date of the event or change in circumstances that cause the transfer. There were no transfers between Levels 1, 2 or 3 during the year.

NOTE I - NAV PER SHARE

In accordance with FASB Accounting Standards Update No. 2009-12, Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), the Organization's fair value disclosure includes the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the NAV per share, or its equivalent, for which the fair value is not readily determinable as of August 31, 2025 and 2024. For the Organization, such assets include investments in common collective trust funds. The Organization assets whose fair value is estimated using the net asset value per share or its equivalent for which the fair value is not readily determinable include investments in common/collective trusts and partnership interests.

2025 Investments Measured Using NAV

Investment Name	Fair Value[1]	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
CF Reit Portfolio, LLC	$ 3,796,107	None	Monthly	n/a	5 business days
Commonfund OCIO Global Equity LLC	102,695,274	None	Monthly	n/a	5 business days
CFI High Quality Bond Fund, LLC	16,544,667	None	Weekly	n/a	5 business days
Commonfund Global Absolute Alpha Company – Class A	11,109,728	None	Quarterly	limit of 25% of the investor market value each quarter	65 calendar days
CF Credit Series	10,627,152	None	Monthly	Up to 15% of prevailing NAV with 5 business days' prior notice; or any amount with 90 calendar days' prior notice.	5 business days; 90 business days
Venture Partners XV	798,279	$ 2,095,800	Illiquid	n/a	n/a
Total	**$ 145,571,207**				

2024 Investments Measured Using NAV

Description	Fair Value[1]	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Vanguard Interm-Term Investment-Grade Adm	$ 4,453,529	None	n/a	n/a	n/a
Vanguard Short-Term Investment-Grade Adm	8,987,392	None	n/a	n/a	n/a
Champlain Mid Cap Institutional	2,752,428	None	n/a	n/a	n/a
Conestoga Small Cap Institutional	1,083,101	None	n/a	n/a	n/a
DFA Emerging Markets I	2,385,909	None	n/a	n/a	n/a
DFA International Core Equity I	7,591,448	None	n/a	n/a	n/a
DFA US Core Equity 1 I	5,010,449	None	n/a	n/a	n/a
Dodge & Cox Stock I	6,210,761	None	n/a	n/a	n/a
Driehaus Emerging Markets Growth Instl	2,061,504	None	n/a	n/a	n/a
Fidelity Advisor International Growth Z	2,838,435	None	n/a	n/a	n/a
Harbor Capital Appreciation Instl	5,463,355	None	n/a	n/a	n/a
Oakmark Institutional	6,295,184	None	n/a	n/a	n/a
Vanguard International Growth Adm	2,547,375	None	n/a	n/a	n/a
Vanguard Mid-Cap Value Index Admiral	2,258,604	None	n/a	n/a	n/a
Vanguard Small Cap Index Adm	2,226,311	None	n/a	n/a	n/a
Van Ultra Shrt Bnd	3,063,764	None	n/a	n/a	n/a
Barrow Hanley Total Return Bond - I	4,954,942	None	n/a	n/a	n/a
Total	**$ 70,184,491**				

NOTE J - ENDOWMENTS

The Foundation's endowment consists of several individual funds established for a variety of purposes. These individual funds consist of both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

In September 2007, the State of Texas enacted the Uniform Prudent Management of Investment Funds Act ("UPMIFA"). UPMIFA provides standards and guidelines for the management, investment, and expenditure of charitable funds and for endowment spending by institutions organized and operated exclusively for a charitable purpose.

Interpretation of Relevant Law

The management of the Foundation has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions due to endowment funds (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Any remaining portion of the donor-restricted endowment fund that is not classified in endowed donor-restricted net assets is classified as donor restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Foundation and the donor restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Foundation.
7. The investment policies of the Foundation.

Investment Return Objectives and Risk Parameters

The Foundation board has adopted investment and spending policies for endowed assets that attempt to preserve the real (inflation-adjusted) purchasing power of the trust assets, to provide an adequate level of income to meet the original intent of the Foundation's benefactors and to maximize the total rate of return earned by the trust without assuming an unreasonable degree of risk. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor specified period(s) as well as board designated funds.

Strategies Employed for Achieving Objectives

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

NOTE J - ENDOWMENTS - Continued

Spending Policy

The Foundation will make earnings available each year for use by endowment supported funds. The available funds will be up to 5% of the three-year average of the aggregate investment portfolio market. value at December 31st of the year preceding the disbursement of the funds. The spending limit will not exceed 5% of the December 31st market value. An amount in excess of the annual spending limit will be permitted for programs and endowments where donors have determined a need for a higher level of spending.

Endowment Net Asset Composition by Type of Fund as of August 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	$ -	$ 129,442,110	$ 129,442,110
Endowment net assets, beginning of year	$ -	$ 89,042,057	$ 89,042,057
Contributions	-	36,074,447	36,074,447
Adjustments	-	652,925	652,925
Investment income:			
Dividends and interest	-	382,822	382,822
Net realized and unrealized gains/losses	-	6,867,635	6,867,635
Net transfers	-	59,264	59,264
Amount appropriated for expenditures	-	(3,637,040)	(3,637,040)
Endowment net assets, end of year	$ -	$ 129,442,110	$ 129,442,110

Endowment Net Asset Composition by Type of Fund as of August 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment funds	$ -	$ 89,042,057	$ 89,042,057
Endowment net assets, beginning of year	$ -	$ 54,666,541	$ 54,666,541
Contributions	-	36,100,293	36,100,293
Adjustments	-	-	-
Investment income:			
Dividends and interest	-	892,561	892,561
Net realized and unrealized gains/losses	-	388,399	388,399
Net transfers	-	(706)	(706)
Amount appropriated for expenditures	-	(3,005,031)	(3,005,031)
Endowment net assets, end of year	$ -	$ 89,042,057	$ 89,042,057

NOTE K - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization structures its financial assets to be available when its general expenditures and other obligations are due. Financial assets available for general expenditures, without donor or other restrictions limiting their use, within one year of August 31, 2025 and 2024 are comprised of the following:

	2025	2024
Cash and cash equivalents	$ 5,350,440	$ 39,320,086
Pledges receivable within one year	2,700,000	-
Investments	162,060,632	80,556,401
Total financial assets available	170,111,072	119,876,487
Less net assets held to meet donor-imposed restrictions	150,915,282	103,495,665
Financial assets available for general expenditure within one year	$ 19,195,790	$ 16,380,822

Expenditures, with donor restrictions, are supported with current and accumulated donor restricted contributions and endowed investment earnings. Sufficient reserves are provided by placing Organization financial assets in excess of daily requirements in various short-term investments such as certificates of deposit and treasury instruments.

NOTE L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 6, 2025, the date consolidated financial statements were available to be issued.

27. RICHLAND COLLEGIATE HIGH SCHOOL - CHARTER HIGH SCHOOL OPERATED BY THE COLLEGE

In January 2005, the College's Board of Trustees approved the application to the Texas Education Agency (TEA) for a charter to operate the Richland Collegiate High School of Mathematics, Science, and Engineering, designed to enroll students only at the junior and senior levels. TEA approved the application in October 2005. In May 2006, the Board approved the contract with TEA for operating a charter through July 31, 2010. The charter agreement has since been renewed and is in effect through August 31, 2025. The charter high school opened in August 2006 with its first class of 176 students at the junior level. Students receive high school and college credit concurrently.

Funding is received from the State of Texas for the charter high school based on average daily attendance. Expenses consist of contracted services for instruction and other functions provided through the College as well as direct expenses for equipment and supplies. The high school has no direct employees or real property.

Beginning with Fall 2010 classes, a new area of emphasis for students to select from was added - performing and other arts. Because of the expanded offerings, the "Mathematics, Science, and Engineering" portion of the school's name has been dropped and is now simply Richland Collegiate High School.

The Richland Collegiate High School has the same legal identity as the College and is governed by the same Board. For operating purposes, in accord with TEA requirements, all revenue and expenses are tracked through a separate general ledger account. For financial reporting purposes, fiscal information for the charter high school is included in the financial statements of the College.

At the Board meeting on March 5, 2024, the College's Board of Trustees issued a resolution to discontinue Richland Collegiate High School effective August 31, 2025. The TEA approved the closure and effective date on March 14, 2024.

The Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, a Statements of Cash Flows, a Schedule of Expenses, and a Schedule of Assets for the fiscal years ended August 31, 2025, and 2024 for Richland Collegiate High School alone are presented below. Included also is a Budgetary Comparison Schedule for 2025.

DALLAS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

RICHLAND COLLEGIATE HIGH SCHOOL
STATEMENTS OF NET POSITION WITH TEA CLASSIFICATIONS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024
EXHIBIT 1

DATA CONTROL CODES	ASSETS	2025	2024
	CURRENT ASSETS:		
1110	Cash and cash equivalents	$ 4,997,001	$ 10,947,516
	Total current assets	4,997,001	10,947,516
	NON-CURRENT AND RESTRICTED ASSETS:		
1539	Furniture and Equipment	-	22,092
1910	Investments	2,456,574	2,526,349
1900	Total non-current assets	2,456,574	2,548,442
1000	TOTAL ASSETS	7,453,575	13,495,958
	LIABILITIES		
	CURRENT LIABILITIES:		
2110	Accounts payable	-	7,820
2501	Due to College (parent organization)	-	6,000,532
	Total current liabilities	-	6,008,352
2000	TOTAL LIABILITIES	-	6,008,352
	NET POSITION		
3200	Net investment in capital assets	-	22,092
3600	Unrestricted	7,453,575	7,465,514
3000	TOTAL NET POSITION	$ 7,453,575	$ 7,487,606

DALLAS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

RICHLAND COLLEGIATE HIGH SCHOOL
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED AUGUT 31, 2025 AND 2024
EXHIBIT 2

College Presentation			TEA Classifications				
	2025	2024	Data Control Codes		2025	2024
OPERATING REVENUES:				OPERATING REVENUES:		
Federal grants and contracts	$ -	$ -	5929	Federal grants revenue distributed by TEA	$ -	$ -
Total operating revenues	-	-	5020	Total operating revenues	-	-
OPERATING EXPENSES:				OPERATING EXPENSES:		
Instruction	395,329	722,023	0011	Instruction	607,038	991,128
Public Service	211,709	269,105	0012	Instructional resources and media services	-	-
Academic support	49,501	39,838	0013	Curriculum development & instructional	17,060	18,633
Student services	244,368	504,713	0023	School leadership	340,274	335,034
			0031	Guidance, counseling and evaluation services	133,438	414,639
			0033	Health services	72,000	72,000
			0034	Student transportation	-	-
			0035	Food service	42,410	19,373
Institutional support	697,257	708,324	0036	Co-Curricular/Extra-curricular	-	-
			0041	General administration	356,983	373,290
Plant Maintenance and operation	-	-	0051	Plant maintenance and operation	18,612	1,813
			0052	Security and monitoring services	-	-
Depreciation	22,092	3,112	0053	Data processing services	32,441	21,205
Total operating expenses	1,620,256	2,247,116	6030	Total operating expenses	1,620,256	2,247,115
OPERATING LOSS	(1,620,256)	(2,247,116)	1100	OPERATING LOSS	(1,620,256)	(2,247,115)
NON-OPERATING REVENUES (EXPENSES):				NON-OPERATING REVENUES (EXPENSES):		
State appropriations	1,476,381	3,307,500	5800	State appropriations	1,476,381	3,307,500
Investment income	109,844	115,931	5742	Investment income	109,844	115,931
Net non-operating revenues	1,586,225	3,423,431		Net non-operating revenues	1,586,225	3,423,431
INCREASE IN NET POSITION	(34,031)	1,176,315	1200	INCREASE IN NET POSITION	(34,031)	1,176,316
NET POSITION:				NET POSITION:		
Net Position—Beginning of Year	7,487,605	6,311,290	0100	Net Position—Beginning of Year	7,487,606	6,311,290
Net Position—End of Year	$ 7,453,575	$ 7,487,605	3000	Net Position—End of Year	$ 7,453,576	$ 7,487,606

DALLAS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

RICHLAND COLLEGIATE HIGH SCHOOL
STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024
EXHIBIT 3

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from grants and contracts	$ -	$ -
Payments to suppliers for goods and services	(9,044,770)	3,764,349
Net cash used in operating activities	(9,044,770)	3,764,349
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Receipts from state appropriations	1,476,381	3,307,500
Net cash provided by non-capital financing activities	1,476,381	3,307,500
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from interest on investments	109,844	115,931
Net cash provided (used) by investing activities	109,844	115,931
Increase (decrease) in cash and cash equivalents	(7,458,545)	7,187,780
Cash and cash equivalents - September 1	12,455,546	5,267,766
Cash and cash equivalents - August 31	$ 4,997,001	$ 12,455,546
Reconciliation of net operating loss to net cash used in operating activities		
Operating loss	$ (1,620,257)	$ (2,247,115)
Depreciation	22,092	3,112
Other	(1,438,254)	-
Adjustments to reconcile net loss to net cash used in operating activities:		
Changes in assets and liabilities:		
Due to College	(6,000,532)	6,000,532
Accounts payable	(7,820)	7,820
Net cash used in operating activities	$ (9,044,770)	$ 3,764,349

RICHLAND COLLEGIATE HIGH SCHOOL
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

	Budgeted Amounts		Actual	Actual to Budget	Percent Actual
	Original	Final	Amounts	Variance	to Final Budget
REVENUES					
Local Support:					
5740 Local and intermediate sources	$ -	$ 100,000	$ 109,844	$ (9,844)	-9.84%
3600 Decrease/use of fund balance	1,025,000	-	-	-	n/a
State program revenues:					
5810 Foundation School Program Act Revenues	1,712,641	1,698,763	1,476,381	222,382	13.09% [a]
Federal program revenues:					
5910 Federal program revenues	-	-	-	-	0.00%
Total revenues	$ 2,737,641	$ 1,798,763	$ 1,586,225	$ 212,538	11.82%
EXPENDITURES					
State program expenditures					
0011 11 Instruction	1,308,563	642,263	607,038	35,225	5.48%
0012 12 Instructional resources and media services	-	-	-	-	0.00%
0013 13 Curriculum and staff development	26,319	22,000	17,060	4,940	22.45% [b]
0023 23 School leadership	429,508	385,000	340,274	44,726	11.62% [b]
0031 31 Guidance, counseling and evaluation service	297,490	140,000	133,438	6,562	4.69%
0033 33 Health services	72,000	72,000	72,000	-	0.00%
0035 35 Food Service	145,000	40,000	38,930	1,070	2.68%
0041 41 General administration	431,261	450,000	356,983	93,017	20.67% [b]
0051 51 Facilities maintenance and operations	2,500	2,500	22,092	(19,592)	-783.70% [c]
0052 52 Security and monitoring services	-	-	-	-	0.00%
0053 53 Data processing services	25,000	45,000	32,441	12,559	27.91% [b]
Total expenditures	2,737,641	1,798,763	1,620,256	178,506	9.92%
1200 Net change in fund balances	-	-	(34,031)	(31,031)	n/a
0100 Fund balance--beginning	7,487,606	7,487,606	7,487,606	-	0.00%
3600 Decrease/Use of fund balance	(1,025,000)	-	-	(31,031)	n/a
3000 Fund balance--ending	$ 6,462,606	$ 7,487,606	$ 7,453,575	$ (31,031)	-0.41%

RICHLAND COLLEGIATE HIGH SCHOOL
SCHEDULE OF EXPENSES
FOR THE YEARS AUGUST 31, 2025 AND 2024

	Totals	
Expenses	**2025**	**2024**
6100 Payroll Costs	$ 1	$ 1
6200 Professional and Contracted Services	1,423,422	1,900,554
6300 Supplies and Materials	130,203	284,769
6400 Other Operating Costs	66,631	61,791
Total Expenses	$1,620,257	$2,247,115

DALLAS COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025 AND 2024

RICHLAND COLLEGIATE HIGH SCHOOL
SCHEDULE OF ASSETS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2025

Asset Object	Ownership Interest		
	Local	**State**	**Federal**
1110 Cash	$ -	$ 4,997,001	$ -
1120 Investments	-	2,456,574	-
1510 Land and improvements	-	-	-
1520 Building and improvements	-	-	-
1531 Vehicles	-	-	-
1539 Furniture and Equipment	-	-	-
	$ -	$ 7,453,575	$ -

RICHLAND COLLEGIATE HIGH SCHOOL
SCHEDULE OF ASSETS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2024

Asset Object	Ownership Interest		
	Local	**State**	**Federal**
1110 Cash	$ -	$ 10,947,516	$ -
1120 Investments	-	2,526,349	-
1510 Land and improvements	-	-	-
1520 Building and improvements	-	-	-
1531 Vehicles	3,480	-	-
1539 Furniture and Equipment	18,612	-	-
	$ 22,092	$ 13,473,865	$ -

28. Related Parties

During the year, the College furnished certain services such as office space, utilities, and some staff assistance to the Foundation as discussed in Notes 1 and 26.

The Foundation's payments to the College for scholarships and grants amounted to $7,448,767 and $5,072,798 for fiscal years 2025 and 2024, respectively. At August 31, 2025 and 2024, the Foundation recorded a total of $63,277 and $56,562, respectively, for scholarships and grants payable to the College.

The College paid the salaries and benefits of certain Foundation employees. The value of these contributed services is $1,704,861 and $1,277,663 for fiscal years 2025 and 2024, respectively. Also, the College provided office space and equipment at no cost to the Foundation. Because the College does not have a clearly measurable basis to estimate the value of these contributed facilities and equipment, no amounts can be disclosed.

In fiscal 2024, the College elected to transfer unrestricted funds in the amount of $36,000,000 to the Foundation for student scholarships. These funds were from the sale of communications licenses that were sold in fiscal 2023.

In fiscal years 2025 and 2024, the College elected to transfer $500,000 of funds held in its quasi-endowment fund to the Foundation for student scholarships. The quasi-endowment is funded with designated receipts from a land lease agreement of one of its properties. As collections continue on the land lease agreement, the College will transfer additional funds to the Foundation.

29. Restatement of Beginning Net Position

The beginning net position for fiscal year 2024 was restated to reflect the implementation of GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which increased beginning net position by $1,428,948. Additionally, the implementation of GASB Statement No. 101, *Compensated Absences*, decreased beginning net position by $1,754,109. The net effect of these restatements was a decrease of $325,161.

These restatements represent changes in accounting principles as required by GASB Statement No. 100, *Accounting Changes and Error Corrections*. GASB Statement 100 requires retroactive application of such changes by restating prior periods, unless impracticable, to ensure comparability and consistency in financial reporting.

30. Reclassification of Net Position Components

During fiscal year 2025, a review of the classification of net position components determined that certain amounts previously reported as Net Investment in Capital Assets, Restricted for Debt Service, and Unrestricted Net Position should be reclassified. This reclassification did not affect the total net position, but it changed the allocation among components to align with the calculation of Net Investment in Capital Assets under GASB Statement No. 34. The reclassification also incorporates the prior-year restatement decrease of $325,161, which resulted from the implementation of GASB Statements No. 87 (*Leases*), No. 96 (*Subscription-Based Information Technology Arrangements*), and No. 101 (*Compensated Absences*).

The reason for this reclassification is that, in the prior year, unspent bond proceeds were allocated between Unrestricted and Debt Service rather than Net Investment in Capital Assets.

Component	Previously Reported	As Reclassified
Net Investment in Capital Assets	$ 690,688,947	$ 873,566,019
Restricted for Debt Service	188,380,838	93,031,065
Unrestricted Net Position	7,742,080	(80,110,380)
Total Net Position	$ 886,811,865	$ 886,486,704

REQUIRED
SUPPLEMENTARY INFORMATION

REQUIRED SCHEDULES FOR NET PENSION LIABILITY

DALLAS COLLEGE

SCHEDULE OF COLLEGE'S SHARE OF NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE G

Fiscal Year Ending August 31*,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
College's proportional share of collective net pension liability (%)	0.2227030618%	0.2082641648%	0.1981778365%	0.2049686305%	0.2157006320%	0.2228132703%	0.2127551871%	0.2001928395%	0.14467900%	0.18790100%
College's proportional share of collective net pension liability ($)	$ 136,036,330	$ 143,057,386	$ 117,653,085	$ 52,198,257	$ 115,524,858	$ 115,825,304	$ 117,105,618	$ 64,010,885	$ 54,672,053	$ 66,420,502
State's proportional share of net pension liability associated with College	106,398,482	111,657,440	89,560,283	40,090,176	87,890,090	81,123,674	83,945,791	43,126,165	36,957,144	35,699,280
Total	$ 242,434,812	$ 254,714,826	$ 207,213,368	$ 92,288,433	$ 203,414,948	$ 196,948,978	$ 201,051,409	$ 107,137,050	$ 91,629,197	$ 102,119,782
College's covered payroll amount	$ 273,061,987	$ 239,498,850	$ 210,779,384	$ 205,157,346	$ 208,020,613	$ 196,305,385	$ 181,268,264	$ 153,203,688	$ 153,203,688	$ 139,925,162
Ratio of ER proportional share of collective NPL/ER's covered payroll amount	49.82%	59.73%	55.82%	25.44%	55.54%	59.00%	64.60%	41.78%	35.69%	47.47%
TRS net position as percentage of total pension liability	77.51%	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

* The amounts presented above are as of the measurement date of the collective net pension liability.
** Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

DALLAS COLLEGE

SCHEDULE OF COLLEGE'S CONTRIBUTIONS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2016 THROUGH AUGUST 31, 2025
SCHEDULE H

Fiscal Year Ending August 31*,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Legally required contributions	$ 13,957,010	$ 12,394,628	$ 10,702,155	$ 9,247,075	$ 8,746,374	$ 8,806,805	$ 7,720,102	$ 7,092,691	$ 6,742,779	$ 5,563,829
Actual contributions	13,957,010	12,394,628	10,702,155	9,247,075	8,746,374	8,806,805	7,720,102	7,092,691	6,742,779	5,563,829
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll amount	$ 308,199,115	$ 273,061,987	$ 239,498,850	$ 210,779,384	$ 205,157,346	$ 208,020,613	$ 196,305,385	$ 181,268,624	$ 164,785,196	$ 153,203,688
Ratio of actual contributions/ER covered payroll amount	4.53%	4.54%	4.47%	4.39%	4.26%	4.23%	3.93%	3.91%	4.09%	3.63%

* The amounts presented above are as of the College's respective fiscal year end.

DALLAS COLLEGE

NOTES TO SCHEDULES FOR NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

The College implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions,* in fiscal year 2015 restating its beginning of the year Net Position. As part of the implementation, Schedule G – *Schedule of College's Share of Net Pension Liability* and Schedule H – *Schedule of College's Contributions* were added to the College's Required Supplementary Information section of its financial statement footnotes. Each of these schedules are required to present 10 years of comparative information. Additional information will be presented on Schedules G and H as it becomes available.

Changes in Benefit Terms include:

- The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of $1.645 billion for one-time stipends and $3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

Changes of Assumptions:

- The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

Change in the College's Contributions to the Pension Plan:

Legally required contributions from fiscal year to year have increased. Cost of living salary raises issued by the College's Board of Trustees and staffing additions reflecting College initiatives primarily resulted in the year-over-year increases.

DALLAS COLLEGE

NOTES TO SCHEDULES FOR NET PENSION LIABILITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

The table below depicts dollar amount and percentage of changes each fiscal year when compared to the prior year:

Fiscal Year	Covered Payroll Amount	Change	% Change	State Contributions	Change	% Change
2025	$ 308,199,115	$ 35,137,128	12.9%	$ 25,426,626	$ 2,899,012	12.9%
2024	273,061,987	33,563,137	14.0%	22,527,614	3,367,706	17.6%
2023	239,498,850	28,719,466	13.6%	19,159,908	2,824,506	17.3%
2022	210,779,384	5,622,038	2.7%	16,335,402	948,601	6.2%
2021	205,157,346	(2,863,267)	(-1.4%)	15,386,801	(214,745)	(-1.4%)
2020	208,020,613	11,715,228	6.0%	15,601,546	2,252,780	16.9%
2019	196,305,385	15,036,761	8.3%	13,348,766	1,022,500	8.3%
2018	181,268,624	16,483,428	10.0%	12,326,266	1,121,275	10.0%
2017	164,785,196	11,581,508	7.6%	11,204,991	781,165	7.5%
2016	153,203,688	13,278,526	9.5%	10,423,826	908,564	9.5%

REQUIRED SCHEDULES FOR NET OTHER POST EMPLOYMENT BENEFITS LIABILITY

DALLAS COLLEGE

SCHEDULE OF COLLEGE'S SHARE OF NET OTHER POST EMPLOYMENT BENEFITS LIABILITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE I

Measurement Year Ending August 31*,	2024 **	2023 **	2022	2021	2020	2019	2018	2017
College's proportional share of collective net OPEB liability (%)	0.79492142%	0.79170882%	0.73772745%	0.78255455%	0.81179332%	0.81560594%	0.81355841%	0.59972600%
College's proportional share of collective net OPEB liability ($)	$ 232,956,411	$ 211,525,038	$ 210,156,164	$ 280,745,414	$ 268,254,113	$ 281,895,232	$ 241,120,349	$ 204,344,713
State's proportional share of net OPEB liability associated with College	189,064,261	171,732,513	185,192,188	234,409,324	215,864,278	226,015,783	190,256,699	189,046,665
Total	$ 422,020,672	$ 383,257,551	$ 395,348,352	$ 515,154,738	$ 484,118,391	$ 507,911,015	$ 431,377,048	$ 393,391,378
College's covered payroll amount	$ 321,993,002	$ 285,196,083	$ 256,492,148	$ 252,859,803	$ 249,831,503	$ 237,461,267	$ 221,755,590	$ 210,417,154
Ratio of ER proportional share of collective NPL/ER's covered payroll amount	72.35%	74.17%	81.93%	111.03%	107.37%	118.71%	108.73%	97.11%
ERS net position as percentage of total OPEB liability	0.00%	0.63%	0.57%	0.38%	0.32%	0.17%	1.27%	2.04%

* The amounts presented above are as of the measurement date of the collective net OPEB liability.
** Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

DALLAS COLLEGE

SCHEDULE OF COLLEGE'S CONTRIBUTIONS TO OTHER POST EMPLOYMENT BENEFITS LIABILITY
FOR THE FISCAL YEARS ENDED AUGUST 31, 2018 THROUGH AUGUST 31, 2025
SCHEDULE J

Fiscal Year Ending August 31*,	2025 **	2024 **	2023	2022	2021	2020	2019	2018
Actuarially determined contributions	$ 5,300,120	$ 4,841,290	$ 4,893,600	$ 4,284,857	$ 19,637,807	$ 21,917,027	$ 18,977,419	$ 16,282,310
Actual contributions	5,300,120	4,841,290	4,893,600	4,284,857	12,347,202	11,900,644	11,724,677	10,818,471
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ 7,290,605	$ 10,016,383	$ 7,252,742	$ 5,463,839
College's covered payroll amount	$ 360,270,260	$ 321,993,002	$ 285,196,083	$ 256,492,148	$ 252,859,803	$ 249,831,503	$ 237,461,267	$ 221,755,590
Ratio of actual contributions/ER covered payroll amount	1.47%	1.50%	1.72%	1.67%	7.77%	8.77%	7.99%	7.34%

* The amounts presented above are as of the College's respective fiscal year end.
** Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
** Beginning in FY 2022, actuarially determined contributions only include the employer's contributions. Prior years included the State's on-behalf contributions.

DALLAS COLLEGE

NOTES TO SCHEDULES FOR OTHER POST EMPLOYMENT BENEFITS LIABILITY FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Changes in Benefit Terms

Under Q/A #4.107 of GASB's Implementation Guide No. 2017-2, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, any plan changes that have been adopted and communicated to plan members by the time the valuation is prepared must be included in the valuation. Accordingly, this valuation reflects the minor benefit changes that became effective September 1, 2024, since these changes were communicated to plan members in advance of the preparation of this report. These changes, which are not expected to have a significant impact on plan costs for FY2025, are provided for in the FY2025 Assumed Per Capita Health Benefit Costs. There are no benefit changes for HealthSelect retirees and dependents for whom Medicare is Primary.

Changes in Assumptions

Actuarial Assumptions

The following assumptions have been updated since the previous valuation to reflect recent plan experience and expected trends:

- Percentage of current retirees and retiree spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and retiree spouses who will elect to participate in the plan at the earliest date at which coverage can commence.

- Proportion of future retirees assumed to cover dependent children.

- Proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement.

- Annual rate of increase in the Patient-Centered Outcomes Research Institute fee payable under the Affordable Care Act.

- Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends have been updated since the previous valuation to reflect recent health plan experience and its effects on our short-term expectations.

The discount rate was changed from 3.81% as of August 31, 2023, to 3.87% as of August 31, 2024 as a result of requirements by GASB Statement No. 74*, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* to utilize the yield or index rate for 20-year, tax-exempt general obligation municipal bonds rated AA/Aa (or equivalent) or higher in effect on the measurement date.

Minor benefit revisions have been adopted since the prior valuation. These changes are not expected to have a significant impact on plan costs for FY 2025.

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY SCHEDULES FOR STATEMENTS OF NET POSITION AND STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

DALLAS COLLEGE

SCHEDULE OF OPERATING REVENUES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
(WITH MEMORANDUM TOTALS FOR THE FISCAL YEAR ENDED AUGUST 31, 2024)
SCHEDULE A

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2025	2024
Tuition:						
State funded credit courses:						
In-district resident tuition	$ 81,160,976	$ -	$ 81,160,976	$ -	$ 81,160,976	$ 67,653,890
Out-of-district resident tuition	31,656,988	-	31,656,988	-	31,656,988	25,281,521
Non-resident tuition	40,526,806	-	40,526,806	-	40,526,806	30,425,111
TPEG - credit (set aside) *	7,370,762	-	7,370,762	-	7,370,762	6,016,034
State-funded continuing education	7,611,393	-	7,611,393	-	7,611,393	7,535,807
TPEG - non-credit (set aside) *	789,272	-	789,272	-	789,272	762,180
Non-state funded educational programs	2,489,001	-	2,489,001	-	2,489,001	2,384,571
Total Tuition	171,605,198	-	171,605,198	-	171,605,198	140,059,114
Fees:						
Installment plan fees	1,081,375	-	1,081,375	-	1,081,375	1,184,130
Contract training fees	-	-	-	-	-	-
Prior year tuition and fees	-	-	-	-	-	-
Total fees	1,081,375	-	1,081,375	-	1,081,375	1,184,130
Scholarship allowances and discounts:						
Bad debt allowance	(11,569,429)	-	(11,569,429)	-	(11,569,429)	(8,646,851)
Remissions and exemptions - state	(36,019,762)	-	(36,019,762)	-	(36,019,762)	(1,301,938)
Remissions and exemptions - local	(1,085,929)	-	(1,085,929)	-	(1,085,929)	(28,361,587)
Title IV federal grants	(39,624,245)	-	(39,624,245)	-	(39,624,245)	(29,495,299)
Other federal grants	(3,478,200)	-	(3,478,200)	-	(3,478,200)	(3,336,102)
State grants	(3,376,904)	-	(3,376,904)	-	(3,376,904)	(4,427,927)
TPEG awards	(3,583,278)	-	(3,583,278)	-	(3,583,278)	(4,353,989)
Rising Star program	-	-	-	-	-	(237)
Other local grants	(8,574,193)	-	(8,574,193)	-	(8,574,193)	(5,348,883)
Total scholarship allowances	(107,311,940)	-	(107,311,940)	-	(107,311,940)	(85,272,813)
Total net tuition and fees	65,374,633	-	65,374,633	-	65,374,633	55,970,431
Additional operating revenues:						
Federal grants and contracts	578,082	36,320,220	36,898,302	-	36,898,302	27,550,480
State grants and contracts	399,939	12,458,188	12,858,127	-	12,858,127	10,702,115
Non-governmental grants and contracts	-	4,952,191	4,952,191	-	4,952,191	4,119,908
Sales and services of educational activities	72,490	-	72,490	-	72,490	102,951
Other operating revenues	11,272,883	-	11,272,883	-	11,272,883	4,017,900
Total additional operating revenues	12,323,394	53,730,599	66,053,993	-	66,053,993	46,493,354
Auxiliary Enterprises:						
Bookstore	-	-	-	242,797	242,797	62,549
Food Service	-	-	-	601,996	601,996	626,782
Center for Educational Telecommunications	-	-	-	32,214	32,214	551
Business Incubation Center	-	-	-	83	83	-
Student Programs	-	-	-	47,284	47,284	41,243
Total net auxiliary enterprises	-	-	-	924,374	924,374	731,125
Total Operating Revenues	$ 77,698,027	$ 53,730,599	$ 131,428,626	$ 924,374	$ 132,353,000	$ 103,194,910
					(Exhibit 2)	(Exhibit 2)

* In accordance with Education Code 56.033, $8,160,034 and $6,778,214 for years August 31, 2025 and 2024, respectively, of tuition was set aside for Texas Public Education Grants (TPEG)

DALLAS COLLEGE

SCHEDULE OF OPERATING EXPENSES BY OBJECT
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2024)
SCHEDULE B

	Operating Expenses					
		Benefits				
	Salaries and Wages	State	Local	Other Expenses	2025	2024
UNRESTRICTED - Educational Activities						
Instruction	$ 179,726,276	$ -	$ 12,809,731	$ 13,254,077	$ 205,790,084	$ 186,524,300
Public Service	1,244,594	-	161,217	84,892	1,490,703	683,413
Academic Support	40,805,612	-	4,184,319	5,858,952	50,848,883	47,802,394
Student Services	68,080,896	-	7,354,075	46,585,805	122,020,776	107,478,462
Institutional Support	77,773,507	-	19,482,186	70,235,149	167,490,842	162,701,383
Operation and Maintenance of Plant	14,567,940	-	3,187,451	41,002,196	58,757,587	72,552,806
Total unrestricted educational activities	382,198,825	-	47,178,979	177,021,071	606,398,875	577,742,758
RESTRICTED - Educational Activities						
Instruction	$ 7,885,030	$ 14,053,554	$ 1,512,297	$ 5,456,043	$ 28,906,924	$ 31,808,517
Public Service	755,294	-	145,498	7,974,299	8,875,091	18,172,389
Academic Support	167,662	4,047,028	33,909	5,435	4,254,034	3,552,716
Student Services	1,891,319	7,826,715	321,029	1,090,112	11,129,175	8,827,552
Institutional Support	2,618,918	8,147,750	467,892	1,054,620	12,289,180	12,181,871
Scholarships and Fellowships	2,213,173	-	69	94,490,203	96,703,445	77,399,804
Total restricted educational activities	15,531,396	34,075,047	2,480,694	110,070,712	162,157,849	151,942,849
TOTAL EDUCATIONAL ACTIVITIES	397,730,221	34,075,047	49,659,673	287,091,783	768,556,724	729,685,607
AUXILIARY ENTERPRISES	189,236	-	42,602	1,770,863	2,002,701	1,127,614
DEPRECIATION EXPENSE - Buildings and other real estate improvements	-	-	-	15,109,953	15,109,953	15,769,607
DEPRECIATION EXPENSE - Equipment and furniture	-	-	-	21,087,687	21,087,687	7,900,680
Amortization Expense - Leases and Subscriptions	-	-	-	13,912,927	13,912,927	-
TOTAL OPERATING EXPENSES	$ 397,919,457	$ 34,075,047	$ 49,702,275	$ 338,973,213	$ 820,669,992	$ 754,483,508
					(Exhibit 2)	(Exhibit 2)

DALLAS COLLEGE

SCHEDULE OF NON-OPERATING REVENUES AND EXPENSES
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2024)
SCHEDULE C

	Unrestricted	Restricted	Auxiliary Enterprises	2025	2024
NON-OPERATING REVENUES:					
State Appropriations:					
Education and general state support	$ 112,677,028	$ -	$ -	$ 112,677,028	$ 107,964,648
State group insurance	-	19,706,473	-	19,706,473	19,099,766
State retirement matching	-	14,382,078	-	14,382,078	11,774,845
SBDC state match	-	1,851,287	-	1,851,287	961,277
Starlink	-	278,291	-	278,291	278,292
Hazlewood state reimbursement	85,748	-	-	85,748	74,151
Foundation school program	1,476,381	-	-	1,476,381	3,307,500
Total state appropriations	114,239,157	36,218,129	-	150,457,286	143,460,479
Ad valorem taxes	357,444,281	81,660,022	-	439,104,303	417,271,539
Federal revenue, non-operating	-	123,722,006	-	123,722,006	117,073,183
Gifts	-	-	-	-	-
Investment income	24,039,411	6,317,588	2,548,969	32,905,968	45,265,596
Gain on sale of investment	-	-	-	-	-
Gain on disposal of capital assets	176,884	-	-	176,884	-
Other non-operating revenue	42,459	-	-	42,459	10,989
Total non-operating revenues	495,942,192	247,917,745	2,548,969	746,408,906	723,081,786
NON-OPERATING EXPENSES:					
Interest on capital related debt	9,905,368	-	-	9,905,368	12,038,878
Loss on disposal of capital assets	22,861	-	-	22,861	325,321
Other non-operating expense	14,655,166	-	-	14,655,166	36,533,000
Total non-operating expenses	24,583,395	-	-	24,583,395	48,897,199
NET NON-OPERATING REVENUES	$ 471,358,797	$ 247,917,745	$ 2,548,969	$ 721,825,511	$ 674,184,587
				(Exhibit 2)	(Exhibit 2)

DALLAS COLLEGE

SCHEDULE OF NET POSITION BY SOURCE AND AVAILABILITY
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
(WITH MEMORANDUM TOTALS FOR THE YEAR ENDED AUGUST 31, 2024)
SCHEDULE D

	Detail by Source					Available for Current Operations	
		Restricted		Net Investment in Capital			
	Unrestricted	Expendable	Non-Expendable	Assets	Total	Yes	No
Current:							
Unrestricted	$ (216,956,191)	$ -	$ -	$ -	$ (216,956,191)	$ (216,956,191)	$ -
Auxiliary enterprises	18,478,972	-	-	-	18,478,972	18,478,972	-
Restricted	-	-	-	-	-	-	-
Loan	152,087	-	-	-	152,087	-	152,087
Endowment:							
Quasi:							
Unrestricted	(1,073,972)	-	-	-	(1,073,972)	-	(1,073,972)
Restricted	-	-	-	-	-	-	-
Plant:							
Unexpended	43,383,779	-	-	-	43,383,779	-	43,383,779
Debt Service	-	193,071,401	-	-	193,071,401	-	193,071,401
Investment in Plant	-	-	-	882,939,147	882,939,147	-	882,939,147
TOTAL NET POSITION--							
August 31, 2025	(156,015,325)	193,071,401	-	882,939,147	919,995,223	(198,477,219)	1,118,472,442
					(Exhibit 1)		
TOTAL NET POSITION--							
August 31, 2024	(78,356,271)	93,031,065	-	872,137,071	886,811,865	(285,112,686)	1,171,924,551
Restatement of Beginning Net Position- Implementation of GASB 101	(1,754,109)	-	-	-	(1,754,109)	-	-
Restatement of Beginning Net Position- Implementation of GASB 87 and GASB 96	-	-	-	1,428,948	1,428,948	-	-
Adjusted Balance August 31, 2024	(80,110,380)	93,031,065	-	873,566,019	886,486,704	(286,866,795)	1,173,353,499
					(Exhibit 1)		
NET INCREASE (DECREASE) IN NET POSITION	$ (75,904,945)	$ 100,040,336	$ -	$ 9,373,128	$ 33,508,519	$ 88,389,576	$ (54,881,057)
					(Exhibit 2)		

TEXAS EDUCATION AGENCY
REQUIRED SCHEDULES

DALLAS COLLEGE

RICHLAND COLLEGIATE HIGH SCHOOL
J4 SCHEDULE OF STATE ALLOTMENT PROGRAM FUNDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Data Codes	**Section A: Compensatory Education Programs**	Column 1 Responses
	Districts are required to use at least 55% of state compensatory education state allotment funds on direct program costs. Statutory Authority: Texas Education Code, 48.104.	
AP1	Did your School expend any state compensatory education program state allotment funds during the district's fiscal year?	**Yes**
AP2	Does the School have written policies and procedures for its state compensatory education program?	**Yes**
AP3	List the total state allotment funds received for state compensatory education programs during the school's fiscal year.	**$89,397**
AP4	List the actual direct program expenditures for state compensatory education programs during the School's fiscal year. (PICs 24, 26, 28, 29, 30)	**$98,855**
	Section B: Bilingual Education Programs	
	Districts are required to use at least 55% of bilingual education state allotment funds on direct program costs. Statutory Authority: Texas Education Code, 48.105.	
AP5	Did your School expend any bilingual education program state allotment funds during the School's fiscal year?	**Yes**
AP6	Does the School have written policies and procedures for its bilingual education program?	**Yes**
AP7	List the total state allotment funds received for bilingual education programs during the School's fiscal year.	**$6,491**
AP8	List the actual direct program expenditures for bilingual education programs during the School's fiscal year. (PIC 25)	**$3,850**

DALLAS COLLEGE

RICHLAND COLLEGIATE HIGH SCHOOL
SCHEDULE OF REAL PROPERTY OWNERSHIP
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Description (list each parcel separately)	Property Address	Total Assessed Value	Ownership Interest - Local	Ownership Interest - State	Ownership Interest - Federal
NA					

DALLAS COLLEGE

RICHLAND COLLEGIATE HIGH SCHOOL
SCHEDULE OF RELATED PARTY TRANSACTIONS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Related Party Name	Name of Relation to the Related Party	Relationship	Type of Transaction	Description of Terms and Conditions	Source of Funds Used	Payment Frequency	Total Paid During FY	Principal Balance Due
NA								

STATISTICAL SECTION
(UNAUDITED)

DALLAS COLLEGE

STATISTICAL SECTION
TABLE OF CONTENTS

This part of Dallas College's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about College's overall financial health. The statistical tables are not audited.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how College's financial performance and well-being have changed over time.

Net Position by Component and Changes in Net Position
Revenues by Source
Program Expenses by Function

REVENUE CAPACITY

These schedules contain information to help the reader assess College's most significant local revenue sources.

Tuition and Fees
Assessed Value and Taxable Assessed Value of Property
State Appropriations per FTSE, Contact Hour and Student Success Points
Principal Taxpayers
Property Tax Levies and Collections

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of College's current level of outstanding debt.

Ratios of Outstanding Debt
Legal Debt Margin Information
Pledged Revenue Coverage

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which College's activities take place.

Demographic and Economic Information – Taxing District
Principal Employers

OPERATING INFORMATION

These schedules contain employment, enrollment, and infrastructure data to help the reader understand how the information in College's annual comprehensive financial report relates to the services College provides and the activities it performs.

Faculty, Staff, and Administrative Statistics
State and Employer Contribution for Health Care Insurance
Enrollment Details
Student Profile
Transfers to Senior Institutions
Capital Asset Information

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 1
NET POSITION BY COMPONENT AND CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)
(AMOUNTS EXPRESSED IN THOUSANDS)

	For the Fiscal Year Ended August 31,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Net Position										
Net Investment in Capital Assets	$ 882,939	$ 690,689	$ 673,510	$ 701,894	$ 661,556	$ 545,136	$ 446,460	$ 402,522	$ 368,475	$ 343,315
Restricted - expendable	193,071	188,381	139,512	91,250	17,726	2,619	617	4,742	1,837	2,319
Restatement of Beginning Net Position - Implementation of GASB 101	-	(1,754)	-	-	-	-	-	-	-	-
Restatement of Beginning Net Position - Implementation of GASB 87 and GASB 96	-	1,429	-	-	-	-	-	-	-	-
Unrestricted	(156,015)	7,742	50,894	(77,742)	(28,387)	6,018	50,856	33,010	251,590	223,071
Total net position	$ 919,995	$ 886,487	$ 863,916	$ 715,402	$ 650,895	$ 553,773	$ 497,933	$ 440,274	$ 621,902	$ 568,705
Changes in Net Position										
Operating revenues	$ 132,353	$ 103,195	$ 144,623	$ 113,949	$ 120,628	$ 108,209	$ 108,667	$ 113,109	$ 109,721	$ 106,552
Operating expenses	820,670	754,484	686,575	639,528	611,265	596,347	554,143	529,385	497,066	479,990
Operating loss	(688,317)	(651,289)	(541,952)	(525,579)	(490,637)	(488,138)	(445,476)	(416,276)	(387,345)	(373,438)
Non-operating revenues net of expenses	721,825	674,185	690,466	590,086	587,759	543,978	503,135	473,178	440,542	423,050
Increase in Net Position	33,508	22,896	148,514	64,507	97,122	55,840	57,659	56,902	53,197	49,612
Net Position at Beginning of year	886,487	863,916	715,402	650,895	553,773	497,933	440,274	621,902	568,705	519,093
Cumulative effect of change in principal	-	(325)	-	-	-	-	-	(238,530)	-	-
Net Position at Beginning of year, restated	886,487	863,591	715,402	650,895	553,773	497,933	440,274	383,372	568,705	519,093
Net Position at End of year	$ 919,995	$ 886,487	$ 863,916	$ 715,402	$ 650,895	$ 553,773	$ 497,933	$ 440,274	$ 621,902	$ 568,705

Notes: GASB Statement No. 75 applied to the 2018 beginning Net Position.
GASB Statement No. 101 applied to the 2025 beginning Net Position.
GASB Statements No. 87 and 96 applied to the 2025 beginning Net Position.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 2
REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ended August 31, (Amounts Expressed in Thousands)									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Tuition and charges (net of discounts)	$ 65,375	$ 55,970	$ 74,715	$ 53,306	$ 63,946	$ 64,927	$ 71,217	$ 76,150	$ 75,078	$ 70,969
Federal grants and contracts	36,898	27,550	54,557	49,295	34,347	25,237	19,880	18,209	17,089	18,071
State grants and contracts	12,858	10,702	7,978	6,443	7,887	6,609	7,380	12,082	9,158	10,587
Non-governmental grants and contracts	4,952	4,120	2,123	1,723	14,689	7,785	5,582	1,963	3,960	2,358
Sales and services of educational activities	72	104	128	95	33	201	537	572	635	591
Auxiliary enterprises	924	731	448	1,006	1,242	1,300	1,798	2,036	2,103	2,066
General operating revenues	11,274	4,018	4,674	2,081	1,700	2,150	2,273	2,097	1,699	1,910
Total Operating Revenues	132,353	103,195	144,623	113,949	123,844	108,209	108,667	113,109	109,722	106,552
State appropriations	150,457	143,460	121,554	122,041	136,855	123,546	117,381	118,624	118,602	116,142
Maintenance ad valorem taxes	439,104	417,272	402,809	373,727	358,328	332,488	307,215	282,182	262,107	240,887
Federal revenue, non-operating	123,722	117,073	116,777	111,707	91,947	84,421	73,348	74,999	70,883	73,159
Gifts	-	-	-	-	-	4	29	106	95	138
Investment income	32,906	45,266	24,634	(16,512)	1,027	7,039	12,537	5,752	3,436	3,564
Gain on sale of investment	-	-	-	-	-	-	-	-	-	-
Contributions in aid of construction	-	-	-	-	73	-	-	-	-	-
Gain on disposal of capital assets & easements	177	-	-	-	258	-	-	-	230	-
Other non-operating revenue	43	11	37,817	3,350	1,580	652	65	560	600	1,998
Total Non-operating Revenues	746,409	723,082	703,591	594,313	590,068	548,150	510,575	482,223	455,953	435,888
Total Revenues	$ 878,762	$ 826,277	$ 848,214	$ 708,262	$ 713,912	$ 656,359	$ 619,242	$ 595,332	$ 565,675	$ 542,440

	For the Fiscal Year Ended August 31,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Tuition and charges (net of discounts)	7.44%	6.68%	8.81%	7.53%	8.96%	9.89%	11.50%	12.79%	13.26%	13.08%
Federal grants and contracts	4.20%	3.29%	6.43%	6.96%	4.81%	3.84%	3.21%	3.06%	3.02%	3.33%
State grants and contracts	1.46%	1.28%	0.94%	0.91%	1.11%	1.01%	1.19%	2.03%	1.62%	1.95%
Non-governmental grants and contracts	0.56%	0.49%	0.25%	0.24%	2.06%	1.19%	0.90%	0.33%	0.70%	0.43%
Sales and services of educational activities	0.01%	0.01%	0.02%	0.01%	0.00%	0.03%	0.09%	0.10%	0.11%	0.11%
Auxiliary enterprises	0.11%	0.09%	0.05%	0.14%	0.17%	0.20%	0.29%	0.34%	0.37%	0.38%
General operating revenues	1.28%	0.47%	0.55%	0.29%	0.24%	0.33%	0.37%	0.35%	0.30%	0.35%
Total Operating Revenues	15.06%	12.31%	17.05%	16.08%	17.35%	16.49%	17.55%	19.00%	19.38%	19.63%
State appropriations	17.12%	18.52%	14.33%	17.23%	19.17%	18.82%	18.96%	19.92%	20.97%	21.41%
Maintenance ad valorem taxes	49.97%	49.79%	47.49%	52.77%	50.19%	50.66%	49.61%	47.40%	46.34%	44.41%
Federal revenue, non-operating	14.08%	13.97%	13.77%	15.77%	12.88%	12.86%	11.84%	12.60%	12.53%	13.49%
Gifts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.02%	0.02%	0.03%
Investment income	3.74%	5.40%	2.90%	-2.33%	0.14%	1.07%	2.02%	0.97%	0.61%	0.66%
Gain on sale of investment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions in aid of construction	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Gain on disposal of capital assets & easements	0.02%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.04%	0.00%
Other non-operating revenue	0.01%	0.01%	4.46%	0.48%	0.22%	0.10%	0.01%	0.09%	0.11%	0.37%
Total Non-operating Revenues	84.94%	87.69%	82.95%	83.92%	82.65%	83.51%	82.45%	81.00%	80.62%	80.37%
Total Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 3
PROGRAM EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ended August 31, (Amounts Expressed in Thousands)									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Instruction	$ 234,697	$ 218,333	$ 170,965	$ 167,459	$ 189,038	$ 216,862	$ 206,218	$ 203,692	$ 194,996	$ 186,114
Public service	10,366	18,856	51,958	32,269	24,526	14,917	10,079	11,186	11,432	14,325
Academic support	55,103	51,355	44,917	42,851	28,134	27,040	25,313	23,315	23,073	22,517
Student services	133,150	116,306	100,287	95,838	85,155	68,174	63,747	55,694	48,807	47,798
Institutional support	179,780	174,883	129,904	137,115	140,657	116,642	111,966	99,268	87,717	82,314
Operation and maintenance of plant	58,758	72,553	61,143	50,410	42,949	56,054	48,209	47,073	44,236	39,480
Scholarships and fellowships	96,703	77,400	107,271	89,865	71,938	65,352	55,474	56,038	53,531	52,338
Auxiliary enterprises	2,003	1,128	689	720	7,207	9,388	10,493	9,544	9,281	9,226
Depreciation	36,198	23,670	19,440	23,001	22,152	21,918	22,644	23,575	23,993	25,878
Amortization	13,913	-	-	-	-	-	-	-	-	-
Total Operating Expenses	820,671	754,484	686,574	639,528	611,756	596,347	554,143	529,385	497,066	479,990
Interest on capital debt	9,905	12,039	10,361	2,570	1,727	4,051	6,833	7,920	8,385	11,574
Loss on disposal of capital assets	23	325	325	61	-	26	218	185	-	596
Other non-operating expense	14,655	36,533	2,438	1,596	784	95	390	941	7,026	668
Total Non-operating Expenses	24,583	48,897	13,124	4,227	2,511	4,172	7,441	9,046	15,411	12,838
Total Expenses	$ 845,254	$ 803,381	$ 699,699	$ 643,755	$ 614,267	$ 600,519	$ 561,584	$ 538,431	$ 512,477	$ 492,828

	For the Fiscal Year Ended August 31,									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Instruction	27.77%	27.18%	24.43%	26.01%	30.77%	36.11%	36.72%	37.83%	38.05%	37.76%
Public service	1.23%	2.34%	7.42%	5.01%	3.99%	2.49%	1.79%	2.08%	2.23%	2.91%
Academic support	6.52%	6.39%	6.42%	6.66%	4.58%	4.50%	4.51%	4.33%	4.50%	4.57%
Student services	15.75%	14.48%	14.33%	14.89%	13.86%	11.35%	11.35%	10.34%	9.52%	9.70%
Institutional support	21.27%	21.77%	18.57%	21.30%	22.90%	19.42%	19.94%	18.44%	17.12%	16.70%
Operation and maintenance of plant	6.95%	9.03%	8.74%	7.83%	6.99%	9.34%	8.58%	8.74%	8.63%	8.01%
Scholarships and fellowships	11.44%	9.63%	15.33%	13.96%	11.71%	10.88%	9.88%	10.41%	10.45%	10.62%
Auxiliary enterprises	0.24%	0.14%	0.10%	0.11%	1.18%	1.57%	1.87%	1.77%	1.81%	1.87%
Depreciation	4.28%	2.95%	2.78%	3.57%	3.61%	3.65%	4.03%	4.38%	4.68%	5.25%
Amortization	1.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Operating Expenses	97.10%	93.91%	98.12%	99.34%	99.59%	99.31%	98.67%	98.32%	96.99%	97.39%
Interest on capital debt	1.17%	1.50%	1.48%	0.40%	0.28%	0.67%	1.22%	1.47%	1.64%	2.35%
Loss on disposal of capital assets	0.00%	0.04%	0.05%	0.01%	0.00%	0.00%	0.04%	0.03%	0.00%	0.12%
Other non-operating expense	1.73%	4.55%	0.35%	0.25%	0.13%	0.02%	0.07%	0.18%	1.37%	0.14%
Total Non-operating Expenses	2.90%	6.09%	1.88%	0.66%	0.41%	0.69%	1.33%	1.68%	3.01%	2.61%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 4
TUITION AND FEES
LAST TEN ACADEMIC YEARS
(UNAUDITED)

Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	In-District Tuition	Out-of-District Tuition	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	Increase from Prior Year In-District	Increase from Prior Year Out-of-District
2024-25	$ 99	$ 169	$ 1,188	$ 2,028	25.32%	25.19%
2023-24	79	135	948	1,620	0.00%	0.00%
2022-23	79	135	948	1,620	0.00%	0.00%
2021-22	79	135	948	1,620	0.00%	0.00%
2020-21	79	135	948	1,620	0.00%	0.00%
2019-20	79	135	948	1,620	33.90%	21.62%
2018-19	59	111	708	1,332	0.00%	0.00%
2017-18	59	111	708	1,332	0.00%	0.00%
2016-17	59	111	708	1,332	0.00%	0.00%
2015-16	59	111	708	1,332	13.46%	14.43%

Non-Resident
Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Non-Resident Tuition Out-of-State	Non-Resident Tuition International	Cost for 12 SCH Out-of-State	Cost for 12 SCH International	Increase from Prior Year Out-of-State	Increase from Prior Year International
2024-25	$ 250	$ 250	$ 3,000	$ 3,000	25.00%	25.00%
2023-24	200	200	2,400	2,400	0.00%	0.00%
2022-23	200	200	2,400	2,400	0.00%	0.00%
2021-22	200	200	2,400	2,400	0.00%	0.00%
2020-21	200	200	2,400	2,400	0.00%	0.00%
2019-20	200	200	2,400	2,400	14.94%	14.94%
2018-19	174	174	2,088	2,088	0.00%	0.00%
2017-18	174	174	2,088	2,088	0.00%	0.00%
2016-17	174	174	2,088	2,088	0.00%	0.00%
2105-16	174	174	2,088	2,088	13.73%	13.73%

Source: Dallas College Office of Finance
Note: Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees, and certification fees.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 5
ASSESSED VALUE AND TAXABLE ASSESSED VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

	(In Thousands)						Direct Rate per $100 TAV		
Fiscal Year	**Market Value**	**Exempt Property**	**Exemptions**	**Capped Value Loss**	**Assessed Value August 31,**	**Ratio to Market Value**	**Maintenance & Operations**	**Debt Service**	**Total**
2024-25	$ 561,318,655	$ (49,552,951)	$ (51,632,998)	$ (37,060,952)	$ 423,071,754	75.37%	$ 0.08606	$ 0.01954	$ 0.10560
2023-24	503,256,839	(44,652,994)	(46,233,941)	(26,307,402)	386,062,502	76.71%	0.09026	0.01977	0.11003
2022-23	447,161,730	(41,010,751)	(38,903,825)	(22,147,387)	345,099,767	77.18%	0.10351	0.02000	0.12351
2021-22	382,353,955	(38,103,745)	(37,247,251)	(7,522,101)	299,480,858	78.33%	0.10351	0.02000	0.12351
2020-21	350,355,051	(36,172,448)	(35,543,398)	(7,470,729)	271,168,476	77.40%	0.10400	0.02000	0.12400
2019-20	345,979,905	(33,197,583)	(34,346,508)	(8,751,924)	269,683,890	77.95%	0.10400	0.02000	0.12400
2018-19	319,258,574	(28,682,821)	(31,865,436)	(7,999,051)	250,711,266	78.53%	0.10400	0.02000	0.12400
2017-18	289,539,455	(26,440,233)	(29,440,088)	(4,910,530)	228,748,604	79.00%	0.10400	0.02024	0.12424
2016-17	271,612,210	(24,971,706)	(26,095,025)	(4,017,502)	216,527,977	79.72%	0.10400	0.01893	0.12293
2015-16	246,799,391	(23,738,621)	(24,127,574)	(1,653,865)	197,279,331	79.94%	0.10400	0.01970	0.12370

Source: Dallas County Appraisal District

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 6A
GENERAL APPROPRIATIONS ACT BEFORE CONTACT HOUR ADJUSTMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Appropriation Funding Elements										
State Appropriation Contact Hour Funding	N/A	N/A	$ 75,250,292	$ 75,250,292	$ 83,339,382	$ 83,339,382	$ 78,979,053	$ 78,979,053	$ 77,308,120	$ 77,308,906
State Appropriation Student Success Points	N/A	N/A	15,263,981	15,263,981	10,475,426	10,475,427	8,063,145	8,063,145	7,419,486	7,419,486
State Appropriation Core Operations	N/A	N/A	680,406	680,406	680,406	680,406	680,406	680,406	500,000	500,000
State Appropriation Non-Formula Items	N/A	N/A	1,831,907	1,831,907	1,928,323	1,928,323	1,928,323	1,928,323	2,138,298	2,138,299
Total	N/A	N/A	**$ 93,026,586**	**$ 93,026,586**	**$ 96,423,537**	**$ 96,423,538**	**$ 89,650,927**	**$ 89,650,927**	**$ 87,365,904**	**$ 87,366,691**

Appropriation Funding Elements	**2025**	**2024**
Formula Funding (+ Transition Funding)	$ 103,366,993	$ 96,999,738
Non-Formula Support	1,831,907	1,831,907
Total	**$ 105,198,900**	**$ 98,831,645**

Note: After the introduction of HB8, the passage of House Bill 8 in 2023 shifted Texas away from a static system tied primarily to students' time in class to a modern and dynamic outcomes-based formula. Community Colleges are no longer funded based on previous

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 6B
STATE APPROPRIATIONS PER FTSE
LAST TEN FISCAL YEARS
(UNAUDITED)
(AMOUNTS EXPRESSED IN THOUSANDS)

Appropriation per FTSE			
	State Appropriation (Unrestricted)	**FTSE**	**State Appropriation per FTSE**
	$ 105,198	45,814	$ 2,296
	96,999	44,702	2,170
	91,195	42,661	2,138
	91,195	41,240	2,211
	94,495	43,553	2,170
	94,495	52,394	1,804
	87,723	50,759	1,728
	87,723	49,323	1,779
	85,408	48,781	1,751
	85,408	47,674	1,792

Note: FTSE is defined as the number of credit hours divided by 30 plus the number of CE contact hours divided by 900.
Source: Dallas College Office of Finance End of Semester Student Statistics Report

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 6C
STATE APPROPRIATION PER FUNDED CONTACT HOUR
LAST TEN FISCAL YEARS
(UNAUDITED)

	Appropriation per Funded Contact Hour					
Fiscal Year	**CH - State Appropriation (Unrestricted)**	**Academic Contact Hours**	**Technical Contact Hours**	**Continuing Education Contact Hours**	**Total Funded Contact Hours**	**CH - State Appropriation per Funded Contact Hour**
2024-25	N/A	19,031	7,004	1,637	27,672	N/A
2023-24	N/A	19,207	6,279	1,384	26,870	N/A
2022-23	$ 75,250,292	17,927	5,793	1,533	25,253	2.98
2021-22	75,250,292	17,730	5,898	1,252	24,880	3.02
2020-21	83,339,382	19,021	6,290	906	26,217	3.60
2019-20	83,339,382	23,046	6,607	1,785	31,438	3.01
2018-19	78,979,053	22,184	6,477	2,027	30,688	2.86
2017-18	78,979,053	21,680	6,215	2,076	29,971	2.93
2016-17	77,308,120	21,145	5,946	2,894	29,985	2.85
2015-16	77,308,906	20,918	5,533	3,010	29,461	2.90

Note: FTSE is defined as the number of credit hours divided by 30 plus the number of CE contact hours divided by 900.
Source: Dallas College Office of Finance End of Semester Student Statistics Report

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 6D
STATE APPROPRIATION PER STUDENT SUCCESS POINT - ANNUALIZED
LAST TEN FISCAL YEARS
(UNAUDITED)

	Appropriation per SSP		
Fiscal Year	**SSP - State Appropriation (Unrestricted)**	**Year Average Student Success Points**	**Appropriation per Success Point**
2024-25	N/A	N/A	N/A
2023-24	N/A	N/A	N/A
2022-23	$ 15,263,981	N/A	N/A
2021-22	15,263,981	N/A	N/A
2020-21	10,475,426	112,308	93
2019-20	10,475,427	129,436	81
2018-19	8,063,145	123,662	65
2017-18	8,063,145	116,330	69
2016-17	7,419,486	102,421	72
2015-16	7,419,486	96,360	77

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 6E
STATE APPROPRIATION PER STUDENT SUCCESS POINTS
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Success Point Elements										
Math Readiness	n/a	n/a	n/a	n/a	4,198	4,847	5,569	3,323	3,023	3,052
Read Readiness	n/a	n/a	n/a	n/a	4,900	2,623	1,758	1,853	1,612	1,469
Write Readiness	n/a	n/a	n/a	n/a	4,130	1,568	870	1,207	1,428	1,375
Students Who Pass FCL Math Course	n/a	n/a	n/a	n/a	13,192	15,599	13,560	12,487	12,091	11,024
Students Who Pass FCL Read Course	n/a	n/a	n/a	n/a	19,219	11,643	12,153	12,509	11,024	10,065
Students Who Pass FCL Write Course	n/a	n/a	n/a	n/a	16,952	11,268	10,513	9,815	8,588	8,205
Students Who Complete 15 SCH	n/a	n/a	n/a	n/a	19,861	22,227	21,250	20,228	18,685	16,721
Students Who Complete 30 SCH	n/a	n/a	n/a	n/a	13,061	20,857	18,951	18,227	11,243	10,489
Student Transfers to a 4-Yr Inst	n/a	n/a	n/a	n/a	5,898	18,699	18,255	16,821	10,700	10,716
Degrees, CCCs, or Certs (Unduplicated)	n/a	n/a	n/a	n/a	9,579	13,667	13,773	13,311	19,871	19,889
Degrees or Certs in Critical Fields	n/a	n/a	n/a	n/a	1,318	6,438	7,010	6,549	4,156	3,355
Annual Success Points - Total	n/a	n/a	n/a	n/a	**112,308**	**129,436**	**123,662**	**116,330**	**102,421**	**96,360**

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 7
PRINCIPAL TAXPAYERS
LAST TEN TAX YEARS
(UNAUDITED)

Taxpayer	Type of Business	Taxable Assessed Value (TAV) by Fiscal Year ($000 omitted)									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Boeing Distribution/Aviall Inc	Aviation	$ 1,680,844	$ 1,578,482	$ 1,803,331	$ 2,266,628	$ 1,581,159	$ 1,584,926	$ 1,246,146	$ 1,260,763	$ 1,331,756	$ 1,391,864
Oncor Electric Delivery	Electric Utility	2,186,874	2,193,493	2,121,267	2,054,597	1,852,579	1,679,107	1,509,118	1,508,284	1,442,296	1,405,137
ATT/Southwestern Bell/Cingular	Telephone Utility	963,359	1,016,354	1,040,420	966,992	998,133	1,012,002	907,666	939,772	1,102,603	980,206
Amazon.com	Distribution	1,710,085	1,753,185	1,604,481	910,209	626,506	(a)	(a)	(a)	(a)	(a)
Atmos Energy	Natural Gas Distributor	1,211,375	1,030,264	923,270	802,600	739,796	695,048	(a)	416,898	397,625	(a)
Southwest Airlines	Airline	1,188,658	1,071,351	782,434	799,056	828,719	788,890	690,626	633,988	584,260	575,936
Texas Instruments	Manufacturing	1,283,263	1,164,691	888,051	780,382	838,899	793,308	746,139	708,168	667,341	649,076
NorthPark Land Partners	Real Estate Development	(a)	(a)	725,978	678,663	740,206	733,710	700,213	675,069	667,810	643,717
Wal-Mart	Retail	1,192,783	910,693	747,872	667,911	761,867	787,579	754,920	812,274	844,098	868,287
Post Apartment Homes LP	Real Estate Development	(a)	(a)	(a)	599,306	(a)	514,486	499,463	484,850	601,337	556,464
FM Village Fixed Rate LLC	Real Estate Development	(a)	772,277	(a)	(a)	565,934	514,687	494,726	495,502	471,339	(a)
Verizon/GTE	Telephone Utility	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	490,628
Crescent Real Estate	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	661,172
Billingsley Arts	Real Estate Development	978,733	946,938	754,804	(a)	(a)	(a)	(a)	(a)	(a)	(a)
DCI Tech Infomart LP	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	508,215	(a)	(a)	(a)
Prologis LP	Real Estate Development	1,533,710	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
	Totals	**$ 13,929,684**	**$ 12,437,728**	**$ 11,391,908**	**$ 10,526,344**	**$ 9,533,798**	**$ 9,103,743**	**$ 8,057,232**	**$ 7,935,568**	**$ 8,110,465**	**$ 8,222,487**
	Total Taxable Assessed Value	**$423,071,753**	**$386,062,502**	**$345,099,768**	**$299,480,858**	**$271,168,476**	**$269,683,890**	**$250,711,266**	**$228,748,604**	**$216,527,977**	**$197,279,331**

(a) Not in top ten taxpayers
Source: Dallas County Tax Office

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 7
PRINCIPAL TAXPAYERS
LAST TEN TAX YEARS
(UNAUDITED)
(CONTINUED)

Taxpayer	Type of Business	% of Taxable Assessed Value (TAV) by Fiscal Year									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Boeing Distribution/Aviall Inc	Aviation	0.40%	0.41%	0.52%	0.76%	0.58%	0.59%	0.50%	0.55%	0.62%	0.71%
Oncor Electric Delivery	Electric Utility	0.52%	0.57%	0.61%	0.69%	0.68%	0.62%	0.60%	0.66%	0.67%	0.71%
ATT/Southwestern Bell/Cingular	Telephone Utility	0.23%	0.26%	0.30%	0.32%	0.37%	0.38%	0.36%	0.41%	0.51%	0.50%
Amazon.com	Distribution	0.40%	0.45%	0.46%	0.30%	0.23%	(a)	(a)	(a)	(a)	(a)
Atmos Energy	Natural Gas Distributor	0.29%	0.27%	0.27%	0.27%	0.27%	0.26%	(a)	0.18%	0.18%	(a)
Southwest Airlines	Airline	0.28%	0.28%	0.23%	0.27%	0.31%	0.29%	0.28%	0.28%	0.27%	0.29%
Texas Instruments	Manufacturing	0.30%	0.30%	0.26%	0.26%	0.31%	0.29%	0.30%	0.31%	0.31%	0.33%
NorthPark Land Partners	Real Estate Development	(a)	(a)	0.21%	0.23%	0.27%	0.27%	0.28%	0.30%	0.31%	0.33%
Wal-Mart	Retail	0.28%	0.24%	0.22%	0.22%	0.28%	0.29%	0.30%	0.36%	0.39%	0.44%
Post Apartment Homes LP	Real Estate Development	(a)	(a)	(a)	0.20%	(a)	0.19%	0.20%	0.21%	0.28%	0.28%
FM Village Fixed Rate LLC	Real Estate Development	(a)	0.20%	(a)	(a)	0.21%	0.19%	0.20%	0.22%	0.22%	(a)
Verizon/GTE	Telephone Utility	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.25%
Crescent Real Estate	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.34%
Billingsley Arts	Real Estate Development	0.23%	0.25%	0.22%	(a)	(a)	(a)	(a)	(a)	(a)	(a)
DCI Tech Infomart LP	Real Estate Development	(a)	(a)	(a)	(a)	(a)	(a)	0.20%	(a)	(a)	(a)
Prologis LP	Real Estate Development	0.36%	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
	Totals	**3.29%**	**3.22%**	**3.30%**	**3.51%**	**3.52%**	**3.38%**	**3.21%**	**3.47%**	**3.75%**	**4.17%**

(a) Not in top ten taxpayers
Source: Dallas County Tax Office

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 8
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN TAX YEARS
(UNAUDITED)
(IN THOUSANDS)

Fiscal Year Ended August 31,	Levy (a)	Cumulative Levy Adjustments	Adjusted Tax Levy (b)	Collections - Year of Levy (c)	Percentage	Prior Coll of Prior Levies (d)	Current Coll of Prior Levies (e)	Total Collections (c+d+e)	Cumulative Collections of Adjusted Levy
2025	$ 447,254	$ (820)	$ 446,434	$ 440,415	98.65%	$ -	$ -	$ 440,415	98.65%
2024	425,348	(2,273)	423,075	420,195	99.32%	-	(3,787)	416,408	98.42%
2023	400,440	3,045	403,485	401,723	99.56%	(3,076)	446	399,093	98.91%
2022	370,349	5,538	375,887	373,383	99.33%	1,135	296.04	374,814	99.71%
2021	336,632	21,148	357,780	357,194	99.84%	(437)	153.79	356,911	99.76%
2020	334,832	(579)	334,253	332,504	99.48%	901	99.18	333,504	99.78%
2019	311,382	(2,787)	308,595	307,443	99.63%	487	52.83	307,983	99.80%
2018	284,665	(1,635)	283,030	281,796	99.56%	678	37.58	282,512	99.82%
2017	266,593	(4,161)	262,432	261,343	99.59%	617	26.32	261,986	99.83%
2016	244,303	(2,631)	241,672	240,051	99.33%	1,184	19.52	241,255	99.83%

Source: Dallas County Appraisal District and Dallas College Office of Finance

(a) As reported in notes to the financial statements for the year of the levy
(b) As of August 31st of the current reporting year
(c) Property tax current year only - does not include penalties and interest
(d) Represents collections of Prior Years' Taxes
(e) Represents all penalties and Interest both current and prior years

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 9
RATIOS OF OUTSTANDING DEBT
LAST TEN FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ended August 31 (In Thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Bonded Debt										
General obligation bonds	$ 263,260	$ 329,080	$ 381,037	$ 85,208	$ 97,841	$ 147,720	$ 198,789	$ 249,019	$ 289,255	$ 320,121
Less: Funds restricted for debt service	-	-	-	-	-	-	-	-	-	-
Net general bonded debt	$ 263,260	$ 329,080	$ 381,037	$ 85,208	$ 97,841	$ 147,720	$ 198,789	$ 249,019	$ 289,255	$ 320,121
Other Debt										
Revenue bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Leases and SBITA liabilities	52,430	49,716	-	-	-	-	-	-	-	-
Tax notes	12,425	12,425	22,220	31,825	26,260	-	-	-	-	-
Total outstanding debt	$ 328,115	$ 391,221	$ 403,257	$ 117,033	$ 124,101	$ 147,720	$ 198,789	$ 249,019	$ 289,255	$ 320,121
General Bonded Debt Ratios										
Per Capita	$ 101.01	$ 126.26	$ 131.48	$ 29.67	$ 35.85	$ 55.37	$ 75.36	$ 95.11	$ 112.33	$ 125.37
Per FTSE	5,889	7,362	9,647	1,993	2,070	2,642	3,673	4,704	5,502	6,280
As a percentage of Taxable Assessed Value	0.07%	0.09%	0.09%	0.02%	0.04%	0.05%	0.08%	0.11%	0.13%	0.16%
Total Outstanding Debt Ratios										
Per Capita	$ 125.89	$ 150.10	$ 139.74	$ 41.63	$ 45.47	$ 55.37	$ 75.36	$ 95.11	$ 112.33	$ 125.37
Per FTSE	7,340	8,752	10,253	2,796	2,626	2,642	3,673	4,704	5,502	6,280
As a percentage of Taxable Assessed Value	0.08%	0.10%	0.10%	0.03%	0.05%	0.05%	0.08%	0.11%	0.13%	0.16%

Source: Dallas College Office of Finance
Notes: Ratios calculated using population and TAV from current year.
Debt per student calculated using full-time equivalent enrollment.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 10
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ended August 31 (In Thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Taxable Assessed Value	$ 423,071,753	$ 386,062,502	$ 345,099,767	$ 299,480,858	$ 271,168,476	$ 269,683,890	$ 250,711,266	$ 228,748,604	$ 216,527,977	$ 197,279,331
General Bonded Debt										
Statutory Tax Levy Limit for Debt Service	$ 2,115,359	$ 1,930,313	$ 1,725,499	$ 1,497,404	$ 1,355,842	$ 1,348,419	$ 1,253,556	$ 1,143,743	$ 1,082,640	$ 986,397
Less: Funds Restricted for Payment of General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Total Net General Obligation Debt	2,115,359	1,930,313	1,725,499	1,497,404	1,355,842	1,348,419	1,253,556	1,143,743	1,082,640	986,397
Current Year Debt Service Requirements	86,306	78,437	73,540	59,872	54,482	53,643	50,038	46,278	40,685	36,441
Excess of Statutory Limit for Debt Service over Current Requirements	$ 2,029,053	$ 1,851,876	$ 1,651,959	$ 1,437,532	$ 1,301,360	$ 1,294,776	$ 1,203,518	$ 1,097,465	$ 1,041,955	$ 949,956
Net Current Requirements as a % of Statutory Limit	4.08%	4.06%	4.26%	4.00%	4.02%	3.98%	3.99%	4.05%	3.76%	3.69%

Source: Taxable Assessed Value from Dallas County Appraisal District
Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to $0.50 per hundred dollars taxable assessed valuation.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 11
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Pledged Revenues ($000 omitted)						Debt Service Requirements ($000 omitted)			
Fiscal Year Ended August 31	Tuition	All Fees	Auxiliary Revenue	Lease Revenue	Interest Income	Total	Principal	Interest	Total	Coverage Ratio
2025	$ 50,818	$ 1,081	$ 924	$ 500	$ 21,969	$ 75,292	$ -	$ -	$ -	0.00
2024	42,435	1,184	731	500	23,186	68,036	-	-	-	0.00
2023	41,816	954	448	500	15,799	59,517	-	-	-	0.00
2022	37,823	814	402	500	1,241	40,780	-	-	-	0.00
2021	40,244	647	933	467	837	43,128	-	-	-	0.00
2020	39,767	623	696	400	5,442	46,928	-	-	-	0.00
2019	42,800	808	969	400	7,731	52,708	-	-	-	0.00
2018	43,973	889	958	400	4,628	50,848	-	-	-	0.00
2017	41,329	923	1,005	400	3,000	46,657	-	-	-	0.00
2016	41,252	885	1,029	350	2,147	45,663	2,265	622	2,887	15.82

Source: Dallas College Office of Finance
Notes: Auxiliary Revenues includes subcontracted Bookstore and Food Service commissions.
In 2013 Pledged Tuition was changed to 25% per student per semester as allowed by law.
Revenue bonds were defeased in 2016 but shows the principal and interest attributable for 2016.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 12
DEMOGRAPHIC AND ECONOMIC INFORMATION - TAXING DISTRICT
(UNAUDITED)

Calendar Year	Population	Personal Income (In Thousands)	Personal Income per Capita	Unemployment Rate
2025	2,656,028	$ 207,533,772	$ 79,626	4.5%
2024	2,606,358	196,583,986	75,585	4.2%
2023	2,687,159	186,760,534	69,501	4.3%
2022	2,662,619	172,389,791	64,774	3.9%
2021	2,729,078	165,854,429	60,773	7.7%
2020	2,667,720	164,854,425	61,796	6.9%
2019	2,637,772	-	-	3.5%
2018	2,618,148	155,610,208	58,993	3.8%
2017	2,574,984	146,737,911	55,947	4.2%
2016	2,553,385	134,777,874	52,784	4.2%

Source: Federal Reserve Bank of St. Louis Economic Research (FRED)
Dallas County only

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 13
PRINCIPAL EMPLOYERS
FISCAL YEARS 2016 THROUGH 2025
(UNAUDITED)

	Number of Employees									
Employer	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Wal-Mart Stores, Inc.	36,800	36,600	38,000	37,000	37,000	37,000	37,000	34,000	34,000	25,534
Baylor Scott & White	30,000	25,000	25,000	24,000	23,865	23,865	17,097	16,500	16,500	16,860
Texas Health Resources	29,000	29,000	28,000	27,000	23,466	23,466	19,230	22,296	22,296	19,131
Amazon	40,000	37,000	24,000	21,000	(a)	(a)	(a)	(a)	(a)	(a)
Dallas Independent School District	23,000	22,857	22,222	22,674	22,674	22,222	18,314	19,740	19,740	20,000
Lockheed Martin Aeronautics Co.	23,000	23,000	21,500	22,000	22,200	22,200	14,126	14,350	13,750	13,700
UT Southwestern Medical Center	25,000	23,000	21,539	21,539	17,000	17,000	13,122	13,048	13,018	(a)
University of North Texas System	(a)	(a)	(a)	(a)	13,620	13,620	(a)	(a)	(a)	(a)
Bank of America	(a)	(a)	(a)	(a)	13,600	16,000	20,000	13,500	13,500	14,465
City of Dallas	(a)	15,300	(a)	14,000	13,114	13,114	(a)	13,350	13,336	13,000
JP Morgan Chase	18,000	18,000	17,000	(a)	12,554	(a)	13,500	(a)	(a)	12,600
AT&T, Inc.	24,000	(a)	15,500	15,000	(a)	16,000	15,800	(a)	(a)	(a)
American Airlines Group	37,000	35,000	20,000	21,500	(a)	(a)	24,700	27,000	27,000	25,000
Texas Instruments Inc.	(a)	(a)	(a)	(a)	(a)	(a)	(a)	13,000	13,000	13,000
Total Top Ten	285,800	264,757	232,761	225,713	199,093	204,487	192,889	186,784	186,140	173,290

	Percentage of Total Employment									
Employer	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Wal-Mart Stores, Inc.	0.84%	0.85%	0.90%	0.90%	1.36%	1.01%	1.00%	0.91%	0.94%	0.72%
Baylor Scott & White	0.69%	0.58%	0.59%	0.58%	0.87%	0.65%	0.46%	0.44%	0.46%	0.48%
Texas Health Resources	0.67%	0.67%	0.66%	0.65%	0.86%	0.64%	0.52%	0.60%	0.62%	0.54%
Amazon	0.92%	0.86%	0.57%	0.51%	(a)	(a)	(a)	(a)	(a)	(a)
Dallas Independent School District	0.53%	0.53%	0.53%	0.55%	0.83%	0.61%	0.49%	0.53%	0.55%	0.57%
Lockheed Martin Aeronautics Co.	0.53%	0.53%	0.51%	0.53%	0.81%	0.61%	0.38%	0.39%	0.38%	0.39%
UT Southwestern Medical Center	0.57%	0.53%	0.51%	0.52%	0.62%	0.46%	0.35%	0.35%	0.36%	(a)
University of North Texas System	(a)	(a)	(a)	(a)	0.50%	0.37%	(a)	(a)	(a)	(a)
Bank of America	(a)	(a)	(a)	(a)	0.50%	0.44%	0.54%	0.36%	0.37%	0.41%
City of Dallas	(a)	0.36%	(a)	0.34%	0.48%	0.36%	(a)	0.36%	0.37%	0.37%
JP Morgan Chase	0.41%	0.42%	0.40%	(a)	0.46%	(a)	0.36%	(a)	(a)	0.36%
AT&T, Inc.	0.55%	(a)	0.37%	0.36%	(a)	0.44%	0.43%	(a)	(a)	(a)
American Airlines Group	0.85%	0.81%	0.47%	0.52%	(a)	(a)	0.66%	0.73%	0.75%	0.71%
Texas Instruments Inc.	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.35%	0.36%	0.37%
Total Top Ten	6.56%	6.14%	5.50%	5.47%	7.30%	5.59%	5.19%	5.03%	5.15%	4.91%
Total Employment	4,360,385	4,309,438	4,231,700	4,125,700	2,729,078	3,657,500	3,716,000	3,716,000	3,612,900	3,531,000

(a) Not in ten largest employers

Source: Dallas Business Journal Book of Lists North Texas Largest Employers
Destination DFW Largest Employers in the Dallas-Fort Worth Area
Total Employment from Bureau of Labor Statistics-Dallas, Ft. Worth & Arlington Statistical Area as of August

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 14
FACULTY, STAFF AND ADMINISTRATIVE STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Faculty										
Full-Time	1,132	1,045	919	914	891	907	914	883	868	873
Part-Time	2,016	2,028	1,561	1,095	1,295	1,520	2,444	2,434	2,447	2,374
Total	3,148	3,073	2,480	2,009	2,186	2,427	3,358	3,317	3,315	3,247
Percent										
Full-Time	36.0%	34.0%	37.1%	45.5%	40.8%	37.4%	27.2%	26.6%	26.2%	26.9%
Part-Time	64.0%	66.0%	62.9%	54.5%	59.2%	62.6%	72.8%	73.4%	73.8%	73.1%
Staff and Administrators										
Full-Time	2,744	2,678	2,382	2,416	2,209	2,723	2,710	2,670	2,569	2,515
Part-Time	608	1,123	697	553	490	908	1,329	1,322	1,459	1,442
Total	3,352	3,801	3,079	2,969	2,699	3,631	4,039	3,992	4,028	3,957
Percent										
Full-Time	81.9%	70.5%	77.4%	81.4%	81.8%	75.0%	67.1%	66.9%	63.8%	63.6%
Part-Time	18.1%	29.5%	22.6%	18.6%	18.2%	25.0%	32.9%	33.1%	36.2%	36.4%
Total Employees										
Full-Time	3,876	3,723	3,301	3,330	3,100	3,630	3,624	3,553	3,437	3,388
Part-Time	2,624	3,151	2,258	1,648	1,785	2,428	3,773	3,756	3,906	3,816
Total	6,500	6,874	5,559	4,978	4,885	6,058	7,397	7,309	7,343	7,204
Percent										
Full-Time	59.6%	54.2%	59.4%	66.9%	63.5%	59.9%	49.0%	48.6%	46.8%	47.0%
Part-Time	40.4%	45.8%	40.6%	33.1%	36.5%	40.1%	51.0%	51.4%	53.2%	53.0%
FTSE per Full-Time Faculty	40.5	42.8	44.9	53.0	53.0	61.7	59.2	59.9	60.6	58.4
FTSE per Full-Time Staff Member	19.6	19.5	17.3	21.4	21.4	20.5	20.0	19.8	20.5	20.3
Average Annual Faculty Salary	$111,736	$105,531	$105,110	$102,710	$ 97,036	$ 96,995	$ 91,487	$ 91,059	$ 89,846	$ 85,678

Source: Dallas College Office of Finance

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 15
STATE AND EMPLOYER CONTRIBUTION FOR HEALTH CARE INSURANCE
LAST TEN FISCAL YEARS
(INCLUDES BASIC LIFE INSURANCE RATE)
(UNAUDITED)

Cost of Providing Health Care Insurance	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Number of Retirees	1,550	1,582	1,611	1,581	1,481	1,375	1,355	1,315	1,272	1,229
Cost of Health Benefits for Retirees	$13,297,644	$13,482,105	$13,627,648	$13,470,123	$12,789,460	$11,900,644	$11,724,677	$11,220,884	$10,812,824	$ 9,828,159
Cost per Retiree	$ 8,579	$ 8,522	$ 8,459	$ 8,520	$ 8,636	$ 8,655	$ 8,653	$ 8,533	$ 8,501	$ 7,997
Number of Active Full-Time Employees	3,837	3,611	3,375	3,243	3,284	3,662	3,690	3,620	3,496	3,396
Cost of Health Benefits for Active Full-Time Employees	$32,277,311	$30,465,719	$29,159,534	$27,420,656	$30,361,142	$32,159,245	$31,837,080	$31,080,279	$29,816,889	$27,282,077
Cost per Active Employee	$ 8,412	$ 8,437	$ 8,640	$ 8,455	$ 9,245	$ 8,782	$ 8,628	$ 8,586	$ 8,529	$ 8,034
State Appropriation for Health Insurance	$19,706,473	$19,099,766	$19,168,536	$19,170,252	$19,672,337	$19,672,337	$19,492,899	$18,648,112	$16,620,205	$15,475,496
Net Cost to Dallas College	$25,868,482	$24,848,058	$23,618,646	$21,720,527	$23,512,795	$24,387,552	$24,068,858	$23,653,051	$24,009,508	$21,634,740
Dallas College % of total premium	56.8%	56.5%	55.2%	53.1%	54.5%	55.4%	55.3%	55.9%	59.1%	58.3%
Total employees	5,387	5,193	4,986	4,824	4,765	5,037	5,045	4,935	4,768	4,625
State funding per total employee	$ 3,658	$ 3,678	$ 3,844	$ 3,974	$ 4,129	$ 3,906	$ 3,864	$ 3,779	$ 3,486	$ 3,346
Dallas College cost per total employee	$ 4,802	$ 4,785	$ 4,737	$ 4,503	$ 4,934	$ 4,842	$ 4,771	$ 4,793	$ 5,036	$ 4,678

Cost of Providing Retirement Benefits	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Actual Cost of TRS and ORP Benefits	$29,007,003	$25,928,753	$22,341,124	$19,543,648	$19,395,694	$19,395,694	$17,223,224	$16,438,431	$15,404,550	$14,669,866
Dallas College's Contribution	$15,853,979	$14,190,156	$12,252,925	$10,855,177	$10,909,270	$10,909,270	$9,879,370	$9,410,721	$8,925,116	$7,002,933
State's Contribution	$13,153,024	$11,738,597	$10,088,199	$8,688,471	$8,486,424	$8,486,424	$7,343,853	$7,027,710	$6,479,434	$7,666,933

Cost of Providing All Benefits	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Dallas College's Contribution	$41,722,461	$39,038,214	$35,871,571	$32,575,704	$34,422,065	$35,296,822	$33,948,228	$33,063,772	$32,934,624	$28,637,673
State's Contribution	32,859,497	30,838,363	29,256,735	27,858,723	28,158,761	28,158,761	26,836,752	25,675,822	23,099,639	23,142,429
Total	$74,581,958	$69,876,577	$65,128,306	$60,434,427	$62,580,826	$63,455,583	$60,784,980	$58,739,594	$56,034,263	$51,780,102

Cost of Providing All Benefits Percentage Share	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Dallas College	55.9%	55.9%	55.1%	53.9%	55.0%	55.6%	55.8%	56.3%	58.8%	55.3%
State	44.1%	44.1%	44.9%	46.1%	45.0%	44.4%	44.2%	43.7%	41.2%	44.7%

Note: Amounts shown are before Pension and OPEB adjusting entries.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 16
ENROLLMENT DETAILS
LAST FIVE FISCAL YEARS
(UNAUDITED)

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Student Classification	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
00-30 Hours	47,357	66.31%	46,625	67.71%	46,827	70.46%	50,524	71.85%	52,943	69.41%
31-60 Hours	18,612	26.06%	16,837	24.45%	15,124	22.76%	15,452	21.98%	11,158	14.63%
>60 Hours	5,449	7.63%	5,398	7.84%	4,509	6.78%	4,340	6.17%	12,178	15.97%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Semester Hour Load	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Less Than 3	2,157	3.02%	1,990	2.89%	2,086	3.14%	1,945	2.77%	2,141	2.81%
3-5 Semester Hours	17,479	24.47%	17,121	24.86%	17,865	26.88%	19,578	27.84%	20,504	26.88%
6-8 Semester Hours	17,945	25.13%	17,853	25.93%	17,621	26.51%	19,394	27.58%	19,773	25.92%
9-11 Semester Hours	12,182	17.06%	11,886	17.26%	11,437	17.21%	11,846	16.85%	12,885	16.89%
12-14 Semester Hours	16,792	23.51%	15,084	21.91%	13,359	20.10%	13,543	19.26%	15,892	20.83%
15-17 Semester Hours	4,059	5.68%	4,160	6.04%	3,472	5.22%	3,432	4.88%	4,348	5.70%
18 and over	804	1.13%	766	1.11%	620	0.94%	578	0.82%	736	0.96%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%

Average Course Load	8.2	8.1	7.8	7.7	7.9

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Tuition Status	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Texas Resident (In-District)	52,991	74.20%	52,494	76.23%	51,962	78.19%	55,780	79.33%	60,782	79.68%
Texas Resident (Out-Of-District)	10,362	14.51%	9,709	14.10%	9,110	13.71%	10,100	14.36%	11,065	14.51%
Non Resident Tuition	8,065	11.29%	6,657	9.67%	5,388	8.10%	4,436	6.31%	4,432	5.81%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%

Source: Dallas College Office of Finance
Note: This table includes credit students only, as continuing education units are not tracked by semester hour and students are not tracked by residency. In Fall 2017, the College began offering credit courses in eight-week sessions within the semester. Courses in the second eight-week session were reported in the Spring 2018 semester.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 17
STUDENT PROFILE
LAST FIVE FISCAL YEARS
(UNAUDITED)

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Gender	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Female	42,162	59.04%	40,467	58.77%	39,353	59.21%	42,357	60.24%	46,399	60.83%
Male	29,256	40.96%	28,393	41.23%	27,107	40.79%	27,959	39.76%	29,880	39.17%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Ethnic Origin	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
White	9,514	13.32%	9,607	13.95%	10,050	15.12%	11,249	16.00%	12,841	16.83%
Hispanic	36,030	50.45%	34,858	50.62%	33,770	50.81%	34,647	49.27%	36,581	47.96%
African American	13,842	19.38%	13,717	19.92%	13,050	19.64%	14,747	20.97%	15,859	20.79%
Asian	4,924	6.89%	4,892	7.10%	4,613	6.94%	4,950	7.04%	5,572	7.30%
Foreign	2,399	3.36%	1,582	2.30%	1,098	1.65%	597	0.85%	637	0.84%
Native American	204	0.29%	218	0.32%	179	0.27%	207	0.30%	230	0.30%
Other	4,505	6.31%	3,986	5.79%	3,700	5.57%	3,919	5.57%	4,559	5.98%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%

	Fall 2024		Fall 2023		Fall 2022		Fall 2021		Fall 2020	
Age	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Under 18	23,626	33.08%	22,753	33.04%	22,498	33.85%	21,912	31.16%	22,956	30.10%
18-21	23,684	33.16%	22,922	33.29%	21,814	32.82%	22,679	32.25%	25,381	33.27%
22-24	7,920	11.09%	7,464	10.84%	6,821	10.26%	7,498	10.66%	8,084	10.60%
25-30	7,094	9.93%	6,761	9.82%	6,609	9.95%	7,981	11.35%	8,887	11.65%
31-35	3,264	4.57%	3,209	4.66%	3,093	4.65%	3,863	5.50%	4,122	5.40%
36-50	4,140	5.80%	4,083	5.93%	4,046	6.09%	4,781	6.80%	5,194	6.81%
51 and Over	1,690	2.37%	1,668	2.42%	1,579	2.38%	1,602	2.28%	1,655	2.17%
Total	71,418	100.00%	68,860	100.00%	66,460	100.00%	70,316	100.00%	76,279	100.00%
Average Age	22		22		22		23		23	

Source: Dallas College Office of Finance

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 18
TRANSFERS TO SENIOR INSTITUTIONS
2023 FALL STUDENTS AS OF FALL 2024
(UNAUDITED) (INCLUDES ONLY PUBLIC SENIOR COLLEGES IN TEXAS)

The coordinating board has not published the data yet.

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 18
TRANSFERS TO SENIOR INSTITUTIONS
2023 FALL STUDENTS AS OF FALL 2024
(CONTINUED)

The coordinating board has not published the data yet.

Source: THECB Report *Students Pursuing Additional Education*

DALLAS COLLEGE
STATISTICAL SUPPLEMENT 19
CAPITAL ASSET INFORMATION
FISCAL YEARS 2016 THROUGH 2025
(UNAUDITED)

	Fiscal Year									
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Academic buildings	93	93	89	89	89	89	89	89	89	89
Square footage	4,228,400	4,228,400	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370	3,847,370
Libraries										
Square footage	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765	222,765
Number of volumes	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505	420,505
Administrative and support buildings	8	8	8	8	8	8	8	8	8	8
Square footage	354,915	354,915	326,215	326,215	326,215	326,215	326,215	326,215	326,215	326,215
Dining Facilities										
Square footage	69,923	69,923	60,069	60,069	60,069	60,069	60,069	60,069	60,069	60,069
Athletic Facilities	6	6	6	6	6	6	6	6	6	6
Square footage	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050	177,050
Athletic fields	48	48	43	43	43	43	43	43	43	43
Gymnasiums	9	9	8	8	8	8	8	8	8	8
Fitness centers	10	10	10	10	10	10	10	10	10	10
Tennis courts	42	42	22	22	22	22	22	22	22	22
Plant Facilities	20	20	3	3	3	3	3	3	3	3
Square footage	95,941	95,941	81,332	81,332	81,332	81,332	81,332	81,332	81,332	81,332
Transportation										
Cars / SUV's	41	46	55	55	55	48	48	29	75	56
Light trucks/vans	105	96	73	73	77	109	109	93	94	94
Buses	7	9	14	14	14	9	9	8	6	8
Total Square Footage	5,148,994	5,148,994	4,714,801	4,714,801	4,714,801	4,714,801	4,714,801	4,714,801	4,714,801	4,714,801

Source: Dallas College Office of Finance
Notes: Most buildings are multi-purpose rather than being dedicated to a single activity. Therefore, estimates have been made on square footage attributable to non-academic purposes.
Information will be presented prospectively.
Transportation includes vehicles under fleet leasing program.

SCHEDULES FOR
FEDERAL AND STATE SINGLE AUDIT

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

To the Board of Trustees
Dallas College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the business-type activities of Dallas College (the College), which comprise the statement of financial position as of and for the year ended August 31, 2025, and the related statement of activities and cash flows for the year then ended, and notes to the financial statements which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 2, 2025. Our report includes a reference to other auditors who audited the financial statements of the Dallas College Foundation (the Foundation), as described in our report on the College's financial statements. The financial statements of the Foundation, audited by other auditors, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control over Financial Reporting

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

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

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

To the Board of Trustees
Dallas College

Report on Compliance and Other Matters

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

Purpose of this Report

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

Whitley Penn LLP

Dallas, Texas
December 2, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE OF TEXAS GRANT MANAGEMENT STANDARDS

To the Board of Trustees
Dallas College

Report on Compliance for Each Major Federal and State Program

Opinion On Each Major Federal and State Program

We have audited Dallas College's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the Texas Grant Management Standards (TxGMS) that could have a direct and material effect on each of the College's major federal and state programs for the year ended August 31, 2025. The College's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2025.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

To the Board of Trustees
Dallas College

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

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

Whitley Penn LLP

Dallas, Texas
December 2, 2025

DALLAS COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE E

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
U.S. Department of Education				
Direct Programs:				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants	84.007A (1)	P007A213994 P007A229619 P007A239619 P007A249619	$ 2,775,922	
Federal Work-Study Program	84.033A (1)	P033A249619 P033A259619	2,187,547	
Federal Work-Study Program	84.033A (1)	P033A249619 P033A259619	46,598	
Federal PELL Grant Program	84.063P (1)	P063P216818 P063P226818 P063P236818 P063P246818 P063Q226818(ACA 22/23) P063Q236818(ACA 23/24) P063Q246818(ACA 24/25)	85,818,737	
Federal Direct Student Loans	84.268 (1)	P268K236818 P268K246818 P268K256818	29,491,578	
Total Student Financial Assistance Cluster			**120,320,382**	**-**
TRIO Cluster				
TRIO Student Support Services	84.042A (2)	P042A20-1077, 1737, 1873 P042A210299	1,750,421	
TRIO Talent Search	84.044A (2)	P044A211048	346,070	
TRIO Upward Bound	84.047A (2)	P047A22-0757, 0852	680,997	
Total TRIO Cluster			**2,777,488**	**-**
Coronavirus Aid, Relief, and Economic Security Act				
HEERF Education Stabilization Fund	84.425F (7)	P425F202345	3,232,390	
Total Direct Coronavirus Aid, Relief, and Economic Security Act			**3,232,390**	**-**
Other Direct Programs				
Higher Education Institutional Aid	84.031S (5)	P031S170019 P031S20-0116, 0026, 0172 P031S210233	2,971,386	
Fund for the Improvement of Postsecondary Education	84.116 (8)	P116Z230135	149,737	
Teacher Quality Partnership Grants	84.336	S336S230049	893,930	
Augustus F. Hawkins Centers of Excellence—Teacher Preparation and Development	84.428	P428A240008	33,416	
Total Other Direct Programs			**4,048,469**	**-**
Total Direct U. S. Department of Education			**130,378,729**	**-**
Pass-Through From:				
Texas Higher Education Coordinating Board				
Career and Technical Education- Basic Grants to States	84.048 (9)	29753	7,134	
Career and Technical Education- Basic Grants to States	84.048 (9)	29627	341,384	
Career and Technical Education- Basic Grants to States	84.048 (9)	01195	1,543,883	
ESF Education Stabilization Fund	84.425C (7)	26547	(7,385)	
Total Pass-Through Texas Higher Education Coordinating Board			**1,885,016**	**-**
Dallas County Local Workforce Development Board				
Adult Education -Basic Grants to States; Program Year 2023	84.002A (10)	DCCCD - AEL 2018-1	(70)	
Adult Education -Basic Grants to States; Program Year 2024	84.002A (10)	DC-AEL 2024-1	2,979,705	
Adult Education -Basic Grants to States; Program Year 2025	84.002A (10)	DC-AEL 2024-1	439,787	
Total Pass-Through Dallas County Local Workforce Development Board			**3,419,422**	**-**
University of Texas at Dallas				
Fund for the Improvement of Postsecondary Education	84.116 (8)	P116Z230261	177,842	
Total Pass-Through University of Texas at Dallas			**177,842**	**-**
Texas Education Agency				
Supporting Effective Instruction State Grants (fka Improving Teacher Quality State Grants)	84.367A	256945027110002	1,296	
Total Pass-Through Texas Education Agency			**1,296**	**-**
Total Pass-Through U.S. Department of Education			**5,483,576**	**-**
Total U. S. Department of Education			**$ 135,862,305**	**-**

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

DALLAS COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE E
(CONTINUED)

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
U.S. Department of Commerce				
Direct Programs:				
Economic Adjustment Assistance	11.307 (6)	ED22HDQ3070118	$ 2,897,427	$ 1,334,135
Total U.S. Department of Commerce			**2,897,427**	**1,334,135**
U.S. Department of Labor				
Direct Programs:				
H-1B Job Training Grants	17.268 (11)	HG-33032-19-60-A-48	17,850	
H-1B Job Training Grants	17.268 (11)	HG-35908-21-60-A-48	1,732,011	
Registered Apprenticeship (fka Apprenticeship USA Grants)	17.285 (12)	AP-38631-22-60-A-48	1,117,962	
Community Project Funding/Congressionally Directed Spending	17.289	24A60CP000160	221,014	
Workforce Data Quality Initiative (WDQI)	17.261	25A60CC000032-01-00	28,279	
Total Direct U. S. Department of Labor			**3,117,116**	**-**
Pass-Through From:				
Dallas County Local Workforce Development Board				
WIOA Youth Activities	17.259 (3)	DC 2-2023	485,282	
WIOA Youth Activities	17.259 (3)	DC 1-2023	(1,051)	
WIOA Youth Activities	17.259 (3)	DC 3-2023	79,273	
Total Pass-Through Dallas County Local Workforce Development Board			**563,504**	**-**
Texas Workforce Commission				
Registered Apprenticeship	17.285 (12)	23A60AP000002	103,186	
Total Pass-Through Texas Workforce Commission			**103,186**	**-**
Total Pass-Through U.S. Department of Labor			**666,690**	**-**
Total U.S. Department of Labor			**3,783,806**	**-**
U.S. Department of State				
Pass-Through From:				
University of Texas at Dallas				
AEECA/ESF PD Programs	19.900	22010484	2,244	
Total U.S. Department of State			**2,244**	-
U.S. Department of the Treasury				
Pass-Through From:				
City of Dallas				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SBC-2022-00019143	(4,420)	
Total U.S. Department of the Treasury			**(4,420)**	**-**
National Science Foundation				
Direct Programs:				
STEM Education (fka Education and Human Resources)	47.076 (5)	2301051	196,267	
STEM Education (fka Education and Human Resources)	47.076 (5)	1902318	(21,916)	
Mathematical and Physical Sciences	47.049 (5)	2223745	6,389	6,389
Total Direct National Science Foundation			**180,740**	**6,389**
Pass-Through From:				
Texas Tech University				
STEM Education (fka Education and Human Resources)	47.076 (5)	21P684-02	52,329	
Texas A&M University - Commerce				
STEM Education (fka Education and Human Resources)	47.076 (5)	RMY3LXEM29P3	130,420	
University of North Texas				
NSF Technology, Innovation, and Partnerships	47.084 (5)	GF30172-2	58,834	
Total Pass-Through National Science Foundation			**241,583**	**-**
Total National Science Foundation:			**$ 422,323**	**$ 6,389**

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

DALLAS COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE E
(CONTINUED)

Federal Grantor / Program Title	Federal ALN	Grant Award #	Expenditures	Pass-Through to Sub-recipients
U. S. Small Business Administration				
Direct Programs:				
Small Business Development Centers	59.037 (13)	SBAOEDSB240124	$ 1,896,134	$ 1,385,266
Small Business Development Centers	59.037 (13)	SBAOEDSB250192	2,131,374	1,830,210
Total Direct U. S. Small Business Administration			**4,027,508**	**3,215,476**
Total U. S. Small Business Administration			**4,027,508**	**3,215,476**
U.S. Department of Veterans Affairs				
Direct Program:				
Post-9/11 Veterans Educational Assistance	64.027		1,085,517	
Total U.S. Department of Veterans Affairs			**1,085,517**	**-**
U.S. Department of Health & Human Services				
Direct Program:				
Nurse Education, Practice Quality and Retention Grants	93.359	US647224	277,125	
Total Direct U.S. Department of Health & Human Services			**277,125**	**-**
Pass-Through From:				
Dallas County Local Workforce Development Board				
Child Care and Development Block Grant - Program Year 24	93.575 (4)	DCCCD-CQI 1-2023	29,798	
Child Care and Development Block Grant - Program Year 25	93.575 (4)	DCCCD-CQI 2-2023	187,162	
Total Pass-Through Dallas County Local Workforce Development Board			**216,960**	**-**
Texas Workforce Commission				
Child Care and Development Block Grant	93.575 (4)	0623INT001	38,239	
Child Care and Development Block Grant	93.575 (4)	0624SSD001	48,090	
Child Care and Development Block Grant	93.575 (4)	0625SSD001	115,290	
Total Pass-Through Texas Workforce Commission			**201,619**	**-**
Healthy Futures of Texas				
Teenage Pregnancy Prevention Program	93.297	1 TP1AH000284-01-00	17,000	
Total Pass-Through Healthy Futures of Texas			**17,000**	**-**
Total Pass-Through Department of Health & Human Services			**435,579**	**-**
Total Department of Health & Human Services			**712,704**	**-**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 148,789,414**	**$ 4,556,000**

(1) Clustered Student Financial Assistance Programs	$ 120,320,382
(2) Clustered TRIO Programs	$ 2,777,488
(3) Clustered WIOA Programs	$ 563,504
(4) Clustered CCDF Programs	$ 418,579
(5) Clustered R&D Programs	$ 3,393,709
(6) Economic Development Cluster	$ 2,897,427
(7) Education Stabilization Fund	$ 3,225,005
(8) Total ALN 84.116	$ 327,579
(9) Total ALN 84.048	$ 1,892,401
(10) Total ALN 84.002A	$ 3,419,422
(11) Total ALN 17.268	$ 1,749,861
(12) Toral ALN 17.285	$ 1,221,148
(13) Total ALN 59.037	$ 4,027,508

The accompanying notes are an integral part of the Schedule of Expenditures Federal Awards.

DALLAS COLLEGE

SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025
SCHEDULE F

State Grantor / Program Title		Grant #	Expenditures	Pass-Through to Sub-recipients
Texas Higher Education Coordinating Board				
	Texas Education Opportunity Grant	36002	$ 7,755,943	
	College Work-Study Program	22339/22349	302,135	
	Work Study Student Mentorship Program	22339/22349	116,669	
	Nursing Shortage Reduction Program	24546/24547	26,293	
	Nursing Shortage Reduction Program	28848	155,795	
	Nursing Shortage Reduction Program	00883	10,903	
	Nursing Innovation Grant Program	29979	71,196	
	Nursing Students Scholarship Program	36036	235,199	
	TRUE 2023 IT Consortium	00282	135,213	49,133
	TRUE 2025 IT Consortium	01485	163,193	27,796
	TRUE 2023 Logistics	00283	129,512	
	Texas First Program	46007	9,109	
	Texas Opportunity High School Diploma Program	00598	51,530	
	Opportunity High School Diploma (OHSD) Design Work	01773	69,712	
	Student Success Acceleration Program (SSAP) 2.0	01354	78,177	
	TRUE 2025 Health Worker	01484	240,572	
Total Texas Higher Education Coordinating Board			**9,551,151**	**76,929**
Texas Education Agency				
	Tri-Agency Grant for Regional Conveners	230386047110007	262,261	101,006
Total Texas Education Agency			**262,261**	**101,006**
Texas State Board of Public Accountancy				
	5th Year Accounting Scholarship 24/25		7,031	
Total Texas State Board of Public Accountancy			**7,031**	**-**
Texas Workforce Commission				
Skills Development Funds				
	Skills Development Fund - Business Consortium	0623SDF002	354,488	
	Skills Development Fund - Lockheed Martin 2024/2025	0624SDF001	445,669	
	Skills Development Fund - Business Consortium 2025/2026	0625SDF001	1,329,854	
	Skills Development Fund in Partnership with a Manufacturing Consortium	0625SDF002	206,080	
Total Skills Development Funds			**2,336,091**	**-**
Jobs and Education for Texans				
	Jobs and Education for Texans	0624JET001	158,705	
Total Jobs and Education for Texans			**158,705**	**-**
Skills for Small Business				
	Skills for Small Business	0624SSD001	132,611	
	Skills for Small Business	0625SSD001	250	
Total Skills for Small Business			**132,861**	**-**
Total Texas Workforce Commission			**2,627,657**	-
TOTAL EXPENDITURES OF STATE AWARDS			**$ 12,448,100**	**$ 177,935**

The accompanying notes are an integral part of the Schedule of Expenditures of State Awards.

DALLAS COLLEGE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

1. GENERAL

The accompanying Schedules of Expenditures of Federal and State Awards ("Schedules") present the activity of all Federal and State award programs of Dallas College ("College"). The reporting entity of the College is defined in the notes to the financial statements of the College. All Federal and State awards received directly from Federal or State agencies or Federal awards passed through other government agencies are included on the schedules.

2. BASIS OF ACCOUNTING

The expenditures included in the Schedules are reported for the College's fiscal year ended August 31, 2025. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported represent funds which have been expended by the College for the purposes of the awards. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the Schedules may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The College has followed all applicable guidelines issued by various funding agencies in the preparation of the Schedules.

3. RELATIONSHIP TO FINANCIAL STATEMENTS

Federal and State award revenues are reported in the financial statements of the College for the fiscal year ended August 31, 2025, as follows:

	Federal	State
Operating revenues per Exhibit 2, Sch A	$ 36,898,302	$ 12,858,127
Revenue, non-operating per Exhibit 2, Sch C	123,722,006	-
Fall tuition-related grants deferred revenue recognition from prior year	(11,830,894)	(410,027)
Total expenditures for federal/state awards	$ 148,789,414	$ 12,448,100

DALLAS COLLEGE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

4. AMOUNTS PASSED THROUGH TO OTHERS

Amounts Passed Through by the College – Federal:

The following amounts were passed through to the listed sub-recipients by the College.

These amounts were funded by the Small Business Administration for the North Texas Small Business Development Center, ALN 59.037. (Award SBAOEDSB240124 and SBAOEDSB250192)

Collin College	$	113,272
Grayson County Junior College District		195,394
McLennan Community College		296,273
Navarro College		232,481
North Central Texas College		414,917
Northeast Texas Community College		295,037
Paris Junior College		206,534
Tarrant County College District		432,628
Trinity Valley Community College		191,482
Tyler Junior College		325,338
University of Texas at Tyler		512,120
	$	3,215,476

These amounts were funded by the National Science Foundation for the Texas Oklahoma Regional Undergraduate Symposium, ALN 47.049. (Award 2223745)

Tarleton State University	$	6,389
	$	6,389

These amounts were funded by the Department of Commerce for the EDA Grow the Biotech Workforce ALN 11.307. (Award ED22HDQ3070118)

BioNorthTexas Foundation	$	328,286
Collin College		165,252
Dallas-Fort Worth Hospital Council Education and Research Foundation		78,135
Tarrant County College District		312,453
University of Texas at Arlington		450,009
	$	1,334,135
Total Amounts Passed Through – Federal	$	4,556,000

DALLAS COLLEGE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

Amounts Passed Through by the College – State:

These amounts were funded by the Texas Higher Education Coordinating Board for The Texas Reskilling and Upskilling through Education (TRUE) 2023 Grant Program (Award 00282) and (TRUE)2024-2025 Grant Program (Award 01485)

Paris Junior College	$	27,796
Hill College		49,133
	$	76,929

These amounts were funded by Texas Education Agency for 2023-2024 Tri-Agency Grant for Regional Conveners (Award 230386047110007)

Commit!2Dallas	$	60,000
Dallas County Local Workforce Development Board, Inc.		41,006
	$	101,006

Total Amounts Passed Through-State	$	177,935
Total Amounts Passed Through – Federal and State	$	4,733,935

DALLAS COLLEGE

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED AUGUST 31, 2025

5. STUDENT LOANS PROCESSED AND ADMINISTRATIVE COST RECOVERED

As noted in the Uniform Guidance, "when loans are made to students of an IHE, but the IHE itself does not have continuing compliance requirements for the loans, then only the value of loans made during the audit period are considered Federal awards expended in that audit period." The amounts for such loans are included on the face of the Schedule of Expenditures of Federal Awards (SEFA). Subtracting the effect of including these loans on the SEFA, actual expenditures of Federal awards for the 2025 fiscal year are $119,297,836.

Federal Grantor ALN Number/ Program Name	New Loans Processed	Administrative Cost Recovered	Total Loans Processed and Administrative Cost Recovered
Department of Education			
84.268 Direct Loans	$ 29,491,578	-	$ 29,491,578

6. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not agree with the amounts reported in the related Federal and State Financial reports filed with grantor agencies because of differences between the fiscal year of the College and various program years, as well as accruals that would be reflected in the next report filed with the agencies.

7. INDIRECT COST

As a non-federal entity, the College has a negotiated indirect cost rate approved by a federal agency, therefore, the College is not eligible to elect the 15% de minimis indirect cost rate.

DALLAS COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended August 31, 2025

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal and State Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Texas Grant Management Standards?	No

Identification of major programs:

Name of Federal Programs or Cluster	**Assistance Listing Numbers**
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Direct Student Loans	84.268
Research and Development Cluster	
Higher Education Institutional Aid	84.031
STEM Education (fka Education and Human Resources)	47.076
Mathematical and Physical Sciences	47.049
NSF Technology, Innovation, and Partnerships	47.084

Name of State Programs	
Texas Education Opportunity Grant	N/A

I. Summary of Auditors' Results (continued)

Dollar Threshold used to Distinguish between Type A and B Programs

Federal	$ 3,000,000
State	$ 750,000

Auditee qualified as a low-risk auditee

Federal	Yes
State	Yes

II. Financial Statement Findings

There are no current year findings.

III. Federal and State Award Findings and Questioned Costs

There are no current year findings and questioned costs.

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