



**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Statements of Revenues Collected and Expenditures Paid  
and Changes in Fund Balances and Supplementary Schedules

June 30, 2009 and 2008

(With Independent Auditors' Report Thereon)

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

**Table of Contents**

	<b>Page</b>
Independent Auditors' Report	1
Statements of Revenues Collected and Expenditures Paid and Changes in Fund Balances	3
Notes to Financial Statements	4
<b>Supplementary Schedules</b>	
1 Student Fees and Facilities Revenue and Refunding Bonds, Series 2002 and Revenue Bonds, Series 2003 – Combined Statements of Revenues Collected and Expenditures Paid and Changes in Fund Balances	9
2 Student Fees and Facilities Revenue and Refunding Bonds, Series 2002C and Chadron State College Revenue Bonds, Series 2003A – Cash Receipts and Disbursements, Trustee's Account	11
Student Fees and Facilities Revenue and Refunding Bond Funds, Series 2002B – Cash Receipts and Disbursements, Trustee's Account	12
Student Fees and Facilities Revenue and Refunding Bonds, Series 2002A and Wayne State College Revenue Bonds, Series 2003B – Cash Receipts and Disbursements, Trustee's Account	13
3 Rentals	14
4 Operation and Maintenance Fund Expenditures	15
5 Insurance in Force	16
6 Debt Service Coverage	17
7 Bonds Outstanding	20
8 Occupancy	23



**KPMG LLP**  
Suite 1501  
Two Central Park Plaza  
Omaha, NE 68102

Suite 1600  
233 South 13<sup>th</sup> Street  
Lincoln, NE 68508-2041

## **Independent Auditors' Report**

The Board of Trustees  
Nebraska State Colleges:

We have audited the accompanying statements of revenues collected and expenditures paid and changes in fund balances of Student Fees and Facilities Revenue and Refunding Bond Funds, Series 2002 and Revenue Bonds, Series 2003 (Revenue and Refunding Bond Funds) of the Nebraska State Colleges (the College) for the years ended June 30, 2009 and 2008. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As discussed in note 1 to the financial statements, these financial statements were prepared on the basis of cash receipts and disbursements of the Revenue and Refunding Bond Funds of the College pursuant to the bond agreements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles, and are not intended to be a complete presentation of the College's assets, liabilities, revenues, and expenses on the basis described.

In our opinion, the financial statements referred to above present fairly, in all material respects, the revenues collected and expenditures paid and changes in fund balances for the Nebraska State Colleges Revenue and Refunding Bond Funds for the years ended June 30, 2009 and 2008, in conformity with the basis of accounting described in note 1.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules 1 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Revenue and Refunding Bond Funds of the College has not presented management's discussion and analysis that U.S. generally accepted accounting principles has determined is necessary to supplement, although not required to be part of, the basic financial statements.

KPMG LLP

Omaha, Nebraska  
October 5, 2009

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Statements of Revenues Collected and Expenditures Paid  
and Changes in Fund Balances

Years ended June 30, 2009 and 2008

	2009				2008			
	Revenue Bond Funds	Operation and Maintenance Funds	Funds held by trustee and by State of Nebraska Operating Investment Pool	Total	Revenue Bond Funds	Operation and Maintenance Funds	Funds held by trustee and by State of Nebraska Operating Investment Pool	Total
Revenues collected:								
Rentals	\$ 6,000,215	—	—	6,000,215	5,658,621	—	—	5,658,621
Food service	6,203,051	—	—	6,203,051	5,881,343	—	—	5,881,343
Facilities fees	1,817,996	—	—	1,817,996	1,695,320	—	—	1,695,320
Deposits forfeited and damages collected	42,338	—	—	42,338	18,501	—	—	18,501
Installment fees	—	—	—	—	22,709	—	—	22,709
Food service commissior	347,963	—	—	347,963	311,212	—	—	311,212
Vending machine	122,304	—	—	122,304	142,312	—	—	142,312
Bookstore	248,634	—	—	248,634	236,589	—	—	236,589
Parking permits	83,891	—	—	83,891	75,068	—	—	75,068
Convention housing	47,435	—	—	47,435	49,271	—	—	49,271
Recreation center	7,993	—	—	7,993	7,068	—	—	7,068
Investment income	3,375	32,064	70,737	106,176	7,331	35,371	379,564	422,266
Office rent	50,000	—	—	50,000	50,761	—	—	50,761
Student union snack bar	11,100	—	—	11,100	11,546	—	—	11,546
Lease income	—	—	42,544	42,544	—	—	57,525	57,525
Other	128,621	—	—	128,621	98,053	—	—	98,053
Total revenues collected	15,114,916	32,064	113,281	15,260,261	14,265,705	35,371	437,089	14,738,165
Less rent fees and board refunds	(16,624)	—	—	(16,624)	(35,214)	—	—	(35,214)
Net revenues collected	15,098,292	32,064	113,281	15,243,637	14,230,491	35,371	437,089	14,702,951
Expenditures paid:								
Operations and maintenance	—	7,022,050	—	7,022,050	—	6,661,858	—	6,661,858
Food service contract	—	—	4,389,147	4,389,147	—	—	4,194,930	4,194,930
Interest	—	—	799,768	799,768	—	—	823,233	823,233
Other	203	5,332	149,098	154,633	80	—	89,981	90,061
Capital improvements and extraordinary repair	—	—	1,505,099	1,505,099	—	—	930,083	930,083
Total expenditures paid	203	7,027,382	6,843,112	13,870,697	80	6,661,858	6,038,227	12,700,165
Excess (deficiency) of revenues collected over expenditures paid before bond transactions and transfers	15,098,089	(6,995,318)	(6,729,831)	1,372,940	14,230,411	(6,626,487)	(5,601,138)	2,002,786
Redemption of bonds	—	—	(775,000)	(775,000)	—	—	(760,000)	(760,000)
Transfers in (out), net	(15,097,210)	7,100,000	7,997,210	—	(14,225,704)	6,525,000	7,700,704	—
Excess (deficiency) of revenues collected over expenditures paid	879	104,682	492,379	597,940	4,707	(101,487)	1,339,566	1,242,786
Fund balance, beginning of year	23,566	250,839	9,502,777	9,777,182	18,859	352,326	8,163,211	8,534,396
Fund balance, end of year	\$ 24,445	355,521	9,995,156	10,375,122	23,566	250,839	9,502,777	9,777,182

See accompanying notes to financial statements.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Notes to Financial Statements

June 30, 2009 and 2008

**(1) Organization and Summary of Significant Accounting Policies**

**(a) Ownership and Operation**

Nebraska State Colleges Revenue and Refunding Bond Funds (the Funds), which are funds of Chadron State College, Peru State College, and Wayne State College, were established to account for revenues and earnings derived from the operation of all revenue facilities and special student fees, which are pledged for the payment of principal and interest of the revenue bonds. The Funds are not subject to income taxes. Nebraska has three state colleges under the control and management of the board of trustees (the Board): Chadron State College was established in 1911, Peru State College was established in 1867, and Wayne State College was established in 1910. The Board was established in 1919 under a provision of the state constitution. Prior to that time, its predecessor agency was charged with the responsibility of operating state institutions for higher education and training of teachers. The Board, with the exception of the state commissioner of education as an ex-officio member, is appointed by the governor, with two members being appointed every other year.

**(b) Basis of Accounting**

The statements of revenues collected and expenditures paid and changes in fund balances of the Funds are prepared on the basis of cash receipts and disbursements and, consequently, do not reflect receivables, capital assets, notes payable, bonds payable, accounts payable, and accrued items. Revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the statements are not intended to be a complete presentation of the Nebraska State College System's or the Funds' financial position and results of operations in conformity with U.S. generally accepted accounting principles. A comprehensive management's discussion and analysis is prepared for the Nebraska State Colleges' consolidated financial statements, which includes the Funds' financial results. Therefore, a separate management discussion and analysis is not included in this report.

**(2) Revenue and Refunding Bonds Outstanding**

**(a) Chadron State College**

Revenue and refunding bonds outstanding as of June 30, 2009 totaled \$5,815,000 and consist of Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bonds, Series 2002C due in annual principal installments on July 1 in variable amounts ranging from \$45,000 to \$345,000 through July 1, 2011, with interest rates ranging from 3.50% to 3.85%, and Chadron State College Revenue Bonds, Series 2003A due in annual principal installments on July 1 in variable amounts ranging from \$190,000 to \$415,000 through July 1, 2028, with interest rates ranging from 3.55% to 5.25%.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Notes to Financial Statements

June 30, 2009 and 2008

**(b) Peru State College**

Revenue and refunding bonds outstanding as of June 30, 2009 totaled \$3,100,000 and consist of Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bonds, Series 2002B due in annual principal installments on July 1 in variable amounts ranging from \$110,000 to \$240,000 through July 1, 2027, with interest rates ranging from 3.50% to 5.00%.

**(c) Wayne State College**

Revenue and refunding bonds outstanding as of June 30, 2009 totaled \$8,320,000 and consist of Nebraska State Colleges Student Fees and Facilities Revenue and Refunding Bonds, Series 2002A due in annual principal installments on July 1 in variable amounts ranging from \$245,000 to \$535,000 through July 1, 2027, with interest rates ranging from 3.50% to 5.00%, and Wayne State College Revenue Bonds, Series 2003B due in annual principal installments on July 1 in variable amounts ranging from \$115,000 to \$165,000 through July 1, 2018, with interest rates ranging from 3.00% to 4.50%.

Maturities of revenue and refunding bonds outstanding and related interest payments are as follows:

<u>Chadron State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2010	\$ 340,000	262,816	602,816
2011	345,000	250,483	595,483
2012	235,000	239,861	474,861
2013	200,000	231,823	431,823
2014	205,000	223,974	428,974
2015 – 2019	1,155,000	982,292	2,137,292
2020 – 2024	1,455,000	668,319	2,123,319
2025 – 2029	1,880,000	244,500	2,124,500
	<u>\$ 5,815,000</u>	<u>3,104,068</u>	<u>8,919,068</u>

<u>Peru State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2010	\$ 110,000	141,383	251,383
2011	110,000	137,422	247,422
2012	120,000	133,078	253,078
2013	120,000	128,368	248,368
2014	125,000	123,467	248,467
2015 – 2019	710,000	531,526	1,241,526
2020 – 2024	905,000	341,172	1,246,172
2025 – 2028	900,000	92,500	992,500
	<u>\$ 3,100,000</u>	<u>1,628,916</u>	<u>4,728,916</u>

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Notes to Financial Statements

June 30, 2009 and 2008

<u>Wayne State College</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2010	\$ 360,000	369,219	729,219
2011	375,000	356,481	731,481
2012	385,000	342,529	727,529
2013	400,000	327,435	727,435
2014	420,000	311,199	731,199
2015 – 2019	2,360,000	1,271,576	3,631,576
2020 – 2024	2,020,000	758,518	2,778,518
2025 – 2028	2,000,000	206,000	2,206,000
	<u>\$ 8,320,000</u>	<u>3,942,957</u>	<u>12,262,957</u>
<u>Nebraska State Colleges (total)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year(s) ending June 30:			
2010	\$ 810,000	773,418	1,583,418
2011	830,000	744,386	1,574,386
2012	740,000	715,468	1,455,468
2013	720,000	687,626	1,407,626
2014	750,000	658,640	1,408,640
2015 – 2019	4,225,000	2,785,394	7,010,394
2020 – 2024	4,380,000	1,768,009	6,148,009
2025 – 2029	4,780,000	543,000	5,323,000
	<u>\$ 17,235,000</u>	<u>8,675,941</u>	<u>25,910,941</u>

Bond activity for the year ended June 30, 2009 is as follows:

	<u>Beginning balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending balance</u>	<u>Current portion</u>
Chadron State College	\$ 6,135,000	—	320,000	5,815,000	340,000
Peru State College	3,205,000	—	105,000	3,100,000	110,000
Wayne State College	8,670,000	—	350,000	8,320,000	360,000
Total	<u>\$ 18,010,000</u>	<u>—</u>	<u>775,000</u>	<u>17,235,000</u>	<u>810,000</u>



**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Notes to Financial Statements

June 30, 2009 and 2008

Bond activity for the year ended June 30, 2008 is as follows:

	<u>Beginning balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending balance</u>	<u>Current portion</u>
Chadron State College	\$ 6,455,000	—	320,000	6,135,000	320,000
Peru State College	3,305,000	—	100,000	3,205,000	105,000
Wayne State College	9,010,000	—	340,000	8,670,000	350,000
Total	\$ <u>18,770,000</u>	<u>—</u>	<u>760,000</u>	<u>18,010,000</u>	<u>775,000</u>

Under the bond resolution for Student Fees and Facilities Revenue and Refunding Bonds, revenues and earnings derived from the operation of all revenue facilities and special student fees are pledged for payment of the principal and interest amount of the bonds. The bonds are not an obligation of the state of Nebraska and no tax funds shall be appropriated for payment of principal and interest.

**(3) Bond Covenants**

The bond resolution requires the revenues of the facilities paid into the revenue bond fund during any fiscal year shall, after deducting these from the costs of operations and maintenance of the facilities and food service costs during such fiscal year, be at least equal to 110% of the amount of principal and interest maturing during such year. The debt service coverage for the years ended June 30, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Chadron State College	221%	196%
Peru State College	231	251
Wayne State College	245	267

**(4) Outstanding Board Resolutions**

The Board has approved resolutions for capital improvements and extraordinary repairs to be made from Contingency Maintenance and Surplus Funds held by the bond fund trustee. At June 30, 2009 and 2008, the unexpended balance of outstanding Board resolutions under construction commitments is approximately as follows:

	<u>2009</u>	<u>2008</u>
Chadron State College	\$ 796,000	706,000
Peru State College	33,000	71,000
Wayne State College	956,000	302,000
Total construction commitments	\$ <u>1,785,000</u>	<u>1,079,000</u>

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Notes to Financial Statements

June 30, 2009 and 2008

**(5) Room and Board Waivers**

Room and board waivers not included in rentals and food service revenues for the years ending June 30, 2009 and 2008 are approximately as follows:

	<u>2009</u>	<u>2008</u>
Chadron State College	\$ 333,000	314,000
Peru State College	133,000	139,000
Wayne State College	<u>650,000</u>	<u>597,000</u>
Total room and board waivers	\$ <u>1,116,000</u>	<u>1,050,000</u>

**(6) Lease Purchase Agreement**

*Peru State College*

In April 2002, Peru State College entered into a capital lease purchase agreement with the Peru Achievement Foundation, Inc., whereby Peru State College will lease the Student Center Servedy Remodel for a term of eight years for a total lease price of \$203,560, plus interest at the rate of 6% per annum, with an annual payment due of \$32,780. For the year ended June 30, 2010, the annual payment consists of \$30,925 of principal and \$1,855 of interest.

**NEBRASKA STATE COLLEGES**  
**REVENUE AND REFUNDING BOND FUNDS**  
 Student Fees and Facilities Revenue and Refunding Bonds, Series 2002 and Revenue Bonds, Series 2003  
 Combined Statements of Revenues Collected and Expenditures Paid  
 and Changes in Fund Balances  
 Years ended June 30, 2009 and 2008

	2009												
	Revenue Bond Funds				Operation and Maintenance Funds				Funds held by trustee and State of Nebraska Operations Investment Pool				Combined
	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	
Revenues collected:													
Rentals	\$ 2,206,537	1,041,645	2,752,033	6,000,215	—	—	—	—	—	—	—	—	6,000,215
Food service	1,851,514	910,494	3,441,043	6,203,051	—	—	—	—	—	—	—	—	6,203,051
Facilities fees	804,658	191,276	822,062	1,817,996	—	—	—	—	—	—	—	—	1,817,996
Deposits forfeited and damages collected	30,252	12,096	(10)	42,338	—	—	—	—	—	—	—	—	42,338
Food service commission	318,812	—	29,151	347,963	—	—	—	—	—	—	—	—	347,963
Vending machine	51,250	45,448	25,606	122,304	—	—	—	—	—	—	—	—	122,304
Bookstore	103,465	—	145,169	248,634	—	—	—	—	—	—	—	—	248,634
Parking permits	—	—	83,891	83,891	—	—	—	—	—	—	—	—	83,891
Convention housing	—	—	47,435	47,435	—	—	—	—	—	—	—	—	47,435
Recreation center	—	—	7,993	7,993	—	—	—	—	—	—	—	—	7,993
Investment income	—	150	3,225	3,375	11,913	7,177	12,974	32,064	17,617	24,845	28,275	70,737	106,176
Office rent	50,000	—	—	50,000	—	—	—	—	—	—	—	—	50,000
Student union snack bar	11,100	—	—	11,100	—	—	—	—	—	—	—	—	11,100
Lease income	—	—	—	—	—	—	—	—	—	42,544	—	42,544	42,544
Other	47,803	1,114	79,704	128,621	—	—	—	—	—	—	—	—	128,621
Total revenues collected	5,475,391	2,202,223	7,437,302	15,114,916	11,913	7,177	12,974	32,064	17,617	67,389	28,275	113,281	15,260,261
Less rent fees and board refunds	(4,193)	(2,602)	(9,829)	(16,624)	—	—	—	—	—	—	—	—	(16,624)
Net revenues collected	5,471,198	2,199,621	7,427,473	15,098,292	11,913	7,177	12,974	32,064	17,617	67,389	28,275	113,281	15,243,637
Expenditures paid:													
Operations and maintenance	—	—	—	—	2,518,276	808,708	3,695,066	7,022,050	—	—	—	—	7,022,050
Food service contract	—	—	—	—	—	—	—	—	1,513,135	888,837	1,987,175	4,389,147	4,389,147
Interest	—	—	—	—	—	—	—	—	274,045	145,040	380,683	799,768	799,768
Other	—	—	203	203	5,332	—	—	5,332	149,098	—	—	149,098	154,633
Capital improvements and extraordinary repairs	—	—	—	—	—	—	—	—	785,310	63,106	656,683	1,505,099	1,505,099
Total expenditures paid	—	—	203	203	2,523,608	808,708	3,695,066	7,027,382	2,721,588	1,096,983	3,024,541	6,843,112	13,870,697
Excess (deficiency) of revenues collected over expenditures paid before bond transactions and transfers	5,471,198	2,199,621	7,427,270	15,098,089	(2,511,695)	(801,531)	(3,682,092)	(6,995,318)	(2,703,971)	(1,029,594)	(2,996,266)	(6,729,831)	1,372,940
Redemption of bonds	—	—	—	—	—	—	—	—	(320,000)	(105,000)	(350,000)	(775,000)	(775,000)
Transfers in (out), net	(5,471,198)	(2,199,527)	(7,426,485)	(15,097,210)	2,370,000	805,000	3,925,000	7,100,000	3,101,198	1,394,527	3,501,485	7,997,210	—
Excess (deficiency) of revenues collected over expenditures paid	—	94	785	879	(141,695)	3,469	242,908	104,682	77,227	259,933	155,219	492,379	597,940
Fund balance, beginning of year	1,000	5,412	17,154	23,566	141,825	89,212	19,802	250,839	3,129,232	1,530,180	4,843,365	9,502,777	9,777,182
Fund balance, end of year	\$ 1,000	5,506	17,939	24,445	130	92,681	262,710	355,521	3,206,459	1,790,113	4,998,584	9,995,156	10,375,122

**NEBRASKA STATE COLLEGES**  
**REVENUE AND REFUNDING BOND FUNDS**  
 Student Fees and Facilities Revenue and Refunding Bonds, Series 2002 and Revenue Bonds, Series 2003  
 Combined Statements of Revenues Collected and Expenditures Paid  
 and Changes in Fund Balances  
 Years ended June 30, 2009 and 2008

	2008												
	Revenue Bond Funds				Operation and Maintenance Funds				Funds held by trustee and State of Nebraska Operations Investment Pool				Combined
	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	Chadron State College	Peru State College	Wayne State College	Total	
Revenues collected:													
Rentals	\$ 2,027,074	937,644	2,693,903	5,658,621	—	—	—	—	—	—	—	—	5,658,621
Food service	1,678,188	949,461	3,253,694	5,881,343	—	—	—	—	—	—	—	—	5,881,343
Facilities fees	701,009	171,141	823,170	1,695,320	—	—	—	—	—	—	—	—	1,695,320
Deposits forfeited and damages collected	—	11,822	6,679	18,501	—	—	—	—	—	—	—	—	18,501
Installment fees	22,709	—	—	22,709	—	—	—	—	—	—	—	—	22,709
Food service commission	280,900	—	30,312	311,212	—	—	—	—	—	—	—	—	311,212
Vending machine	40,840	74,251	27,221	142,312	—	—	—	—	—	—	—	—	142,312
Bookstore	106,584	—	130,005	236,589	—	—	—	—	—	—	—	—	236,589
Parking permits	—	—	75,068	75,068	—	—	—	—	—	—	—	—	75,068
Convention housing	—	—	49,271	49,271	—	—	—	—	—	—	—	—	49,271
Recreation center	—	—	7,068	7,068	—	—	—	—	—	—	—	—	7,068
Investment income	—	270	7,061	7,331	13,627	6,581	15,163	35,371	111,792	69,676	198,096	379,564	422,266
Office rent	50,761	—	—	50,761	—	—	—	—	—	—	—	—	50,761
Student union snack bar	11,546	—	—	11,546	—	—	—	—	—	—	—	—	11,546
Lease income	—	—	—	—	—	—	—	—	—	57,525	—	57,525	57,525
Other	28,819	1,140	68,094	98,053	—	—	—	—	—	—	—	—	98,053
<b>Total revenues collected</b>	<b>4,948,430</b>	<b>2,145,729</b>	<b>7,171,546</b>	<b>14,265,705</b>	<b>13,627</b>	<b>6,581</b>	<b>15,163</b>	<b>35,371</b>	<b>111,792</b>	<b>127,201</b>	<b>198,096</b>	<b>437,089</b>	<b>14,738,165</b>
Less rent fees and board refunds	(7,706)	(8,003)	(19,505)	(35,214)	—	—	—	—	—	—	—	—	(35,214)
<b>Net revenues collected</b>	<b>4,940,724</b>	<b>2,137,726</b>	<b>7,152,041</b>	<b>14,230,491</b>	<b>13,627</b>	<b>6,581</b>	<b>15,163</b>	<b>35,371</b>	<b>111,792</b>	<b>127,201</b>	<b>198,096</b>	<b>437,089</b>	<b>14,702,951</b>
Expenditures paid:													
Operations and maintenance	—	—	—	—	2,351,530	744,949	3,565,379	6,661,858	—	—	—	—	6,661,858
Food service contract	—	—	—	—	—	—	—	—	1,441,774	904,053	1,849,103	4,194,930	4,194,930
Interest	—	—	80	80	—	—	—	—	284,125	148,273	390,835	823,233	823,233
Other	—	—	—	—	—	—	—	—	89,981	—	—	89,981	90,061
Capital improvements and extraordinary repairs	—	—	—	—	—	—	—	—	98,844	243,195	588,044	930,083	930,083
<b>Total expenditures paid</b>	<b>—</b>	<b>—</b>	<b>80</b>	<b>80</b>	<b>2,351,530</b>	<b>744,949</b>	<b>3,565,379</b>	<b>6,661,858</b>	<b>1,914,724</b>	<b>1,295,521</b>	<b>2,827,982</b>	<b>6,038,227</b>	<b>12,700,165</b>
Excess (deficiency) of revenues collected over expenditures paid before bond transactions and transfers	4,940,724	2,137,726	7,151,961	14,230,411	(2,337,903)	(738,368)	(3,550,216)	(6,626,487)	(1,802,932)	(1,168,320)	(2,629,886)	(5,601,138)	2,002,786
Redemption of bonds	—	—	—	—	—	—	—	—	(320,000)	(100,000)	(340,000)	(760,000)	(760,000)
Transfers in (out), net	(4,940,724)	(2,138,013)	(7,146,967)	(14,225,704)	2,305,000	720,000	3,500,000	6,525,000	2,635,724	1,418,013	3,646,967	7,700,704	—
Excess (deficiency) of revenues collected over expenditures paid	—	(287)	4,994	4,707	(32,903)	(18,368)	(50,216)	(101,487)	512,792	149,693	677,081	1,339,566	1,242,786
Fund balance, beginning of year	1,000	5,699	12,160	18,859	174,728	107,580	70,018	352,326	2,616,440	1,380,487	4,166,284	8,163,211	8,534,396
Fund balance, end of year	\$ 1,000	5,412	17,154	23,566	141,825	89,212	19,802	250,839	3,129,232	1,530,180	4,843,365	9,502,777	9,777,182

See accompanying independent auditors' report.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Student Fees and Facilities Revenue and Refunding Bonds, Series 2002C and  
Chadron State College Revenue Bonds, Series 2003A

Cash Receipts and Disbursements, Trustee's Account

Year ended June 30, 2009  
(With comparative totals for June 30, 2008)

<b>Chadron State College</b>							
<b>2009</b>							
	<b>Revenue Fund 2002C</b>	<b>Bond Fund 2002C</b>	<b>Reserve Fund 2002C</b>	<b>Surplus Fund 2002C</b>	<b>Reserve Fund 2003A</b>	<b>Total</b>	
						<b>2009</b>	<b>2008</b>
Receipts:							
Board of trustees deposits	\$ 5,471,198	—	—	—	—	5,471,198	4,940,724
Income (loss) from investment	12,745	1,713	(5,168)	13,837	(5,510)	17,617	111,792
Receipts before transfer of funds	5,483,943	1,713	(5,168)	13,837	(5,510)	5,488,815	5,052,516
Transfer of funds, net	(1,059,673)	608,400	(19,339)	500,000	(29,388)	—	—
Total receipts	4,424,270	610,113	(24,507)	513,837	(34,898)	5,488,815	5,052,516
Disbursements:							
Remitted to operation and maintenance fun	2,370,000	—	—	—	—	2,370,000	2,305,000
Payments on food service contrac	1,513,135	—	—	—	—	1,513,135	1,441,774
Remitted to paying agent							
Bond principal	—	320,000	—	—	—	320,000	305,000
Bond interest	—	274,045	—	—	—	274,045	299,125
Other	149,098	—	—	—	—	149,098	89,981
Payments to contractors and others	—	—	—	785,310	—	785,310	98,844
Total disbursements	4,032,233	594,045	—	785,310	—	5,411,588	4,539,724
Excess (deficiency) of receipts over disbursements	392,037	16,068	(24,507)	(271,473)	(34,898)	77,227	512,792
Balance at beginning of year	943,349	494,233	276,007	944,995	470,648	3,129,232	2,616,440
Balance at end of year	\$ 1,335,386	510,301	251,500	673,522	435,750	3,206,459	3,129,232
Balance at end of year consisted of:							
Cash	\$ 36,128	—	—	—	—	36,128	6,928
Savings and money market account	1,299,258	510,301	251,500	418,570	435,750	2,915,379	2,542,972
State of Nebraska Operating Investment Poo	—	—	—	254,952	—	254,952	243,527
U.S. government securities, at cos (fair value 2008, \$309,670)	—	—	—	—	—	—	335,805
	\$ 1,335,386	510,301	251,500	673,522	435,750	3,206,459	3,129,232

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Student Fees and Facilities Revenue and Refunding Bond Funds, Series 2002B

Cash Receipts and Disbursements, Trustee's Account

Year ended June 30, 2009

(With comparative totals for June 30, 2008)

Peru State College						
2009						
	Revenue Bond 2002B	Surplus Fund 2002B	Bond Fund 2002B	Reserve Fund 2002B	Total	
					2009	2008
Receipts:						
Board of trustees deposits	\$ 2,199,527	—	—	—	2,199,527	2,138,013
Majors Hall lease income	42,544	—	—	—	42,544	57,525
Income (loss) from investments	4,300	30,106	691	(10,252)	24,845	69,676
Receipts before transfer of funds	2,246,371	30,106	691	(10,252)	2,266,916	2,265,214
Transfer of funds, net	(577,572)	350,000	253,200	(25,628)	—	—
Total receipts	1,668,799	380,106	253,891	(35,880)	2,266,916	2,265,214
Disbursements:						
Remitted to operation and maintenance fund	805,000	—	—	—	805,000	720,000
Payments on food service contract	888,837	—	—	—	888,837	904,053
Remitted to paying agent:						
Bond principal	—	—	105,000	—	105,000	100,000
Bond interest	—	—	145,040	—	145,040	148,273
Payments to contractors and others	—	63,106	—	—	63,106	243,195
Total disbursements	1,693,837	63,106	250,040	—	2,006,983	2,115,521
Excess (deficiency) of receipts over disbursements	(25,038)	317,000	3,851	(35,880)	259,933	149,693
Balance at beginning of year	137,774	909,992	191,146	291,268	1,530,180	1,380,487
Balance at end of year	\$ 112,736	1,226,992	194,997	255,388	1,790,113	1,530,180
Balance at end of year consisted of:						
Cash	\$ 10,015	—	—	—	10,015	1,233
Savings and money market accounts	102,721	608,384	194,997	255,388	1,161,490	684,831
State of Nebraska Operating Investment Pool	—	618,608	—	—	618,608	590,886
U.S. government securities, at cost (fair value 2008, \$233,521)	—	—	—	—	—	253,230
	\$ 112,736	1,226,992	194,997	255,388	1,790,113	1,530,180

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Student Fees and Facilities Revenue and Refunding Bonds, Series 2002A and  
Wayne State College Revenue Bonds, Series 2003E

Cash Receipts and Disbursements, Trustee's Account

Year ended June 30, 2009  
(With comparative totals for June 30, 2008)

		Wayne State College								
		2009							Total	
		Revenue Fund 2002A	Bond Fund 2002A	Surplus Fund 2002A	Construction Fund 2002A	Reserve Fund 2002A	Construction Fund 2003B	Reserve Fund 2003B	2009	2008
Receipts:										
Board of trustees deposits	\$	7,426,485	—	—	—	—	—	—	7,426,485	7,146,965
Income (loss) from investment		21,462	2,068	29,994	5	(22,978)	49	(2,325)	28,275	198,096
Receipts before transfer of funds		7,447,947	2,068	29,994	5	(22,978)	49	(2,325)	7,454,760	7,345,061
Transfer of funds, net		(665,295)	734,400	24	(5)	(57,281)	(26)	(11,817)	—	—
Total receipts		6,782,652	736,468	30,018	—	(80,259)	23	(14,142)	7,454,760	7,345,061
Disbursements:										
Remitted to operation and maintenance fund		3,925,000	—	—	—	—	—	—	3,925,000	3,500,000
Payments on food service contract		1,987,175	—	—	—	—	—	—	1,987,175	1,849,103
Remitted to paying agent		—	350,000	—	—	—	—	—	350,000	340,000
Bond principal		—	380,683	—	—	—	—	—	380,683	390,835
Bond interest		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Payments to contractors and others		—	—	640,274	—	—	16,409	—	656,683	588,044
Total disbursements		5,912,175	730,683	640,274	—	—	16,409	—	7,299,541	6,667,982
Excess (deficiency) of receipts over disbursements		870,477	5,785	(610,256)	—	(80,259)	(16,386)	(14,142)	155,219	677,079
Balance at beginning of year		1,229,032	583,973	2,177,433	—	649,684	16,386	186,857	4,843,365	4,166,286
Balance at end of year	\$	2,099,509	589,758	1,567,177	—	569,425	—	172,715	4,998,584	4,843,365
Balance at end of year consisted of:										
Cash	\$	32,754	—	—	—	—	—	—	32,754	—
Savings and money market account:		2,066,755	589,758	1,142,306	—	569,425	—	172,715	4,540,959	3,793,448
State of Nebraska Operating Investment Pool		—	—	424,871	—	—	—	—	424,871	405,832
U.S. government securities, at cost (fair value 2008, \$593,957)		—	—	—	—	—	—	—	—	644,085
	\$	2,099,509	589,758	1,567,177	—	569,425	—	172,715	4,998,584	4,843,365

See accompanying independent auditors' report.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Rentals

Years ended June 30, 2009 and 2008

<b>Chadron State College</b>	<b>2009</b>	<b>2008</b>
Facility:		
High Rise Dormitory	\$ 725,607	665,440
Andrews Hall	463,352	411,389
Kent Hall	487,645	464,353
Edna Work Hall	176,069	186,014
Edna Work Wing	197,138	165,048
Brooks Hall	138,085	95,271
Family housing	149,577	157,772
Guest housing	93,849	86,264
Less room waivers	(224,785)	(204,477)
Total rentals	\$ 2,206,537	2,027,074
<b>Peru State College</b>	<b>2009</b>	<b>2008</b>
Facility:		
Centennial Complex	\$ 636,114	536,313
Eliza Morgan Hall	185,151	182,684
Delzell Hall	264,445	266,265
Guest and temporary housing	—	580
Faculty housing	33,707	26,180
Married student housing	29,626	40,483
Less room waivers	(107,398)	(114,861)
Total rentals	\$ 1,041,645	937,644
<b>Wayne State College</b>	<b>2009</b>	<b>2008</b>
Facility:		
Bowen Hall	\$ 806,963	806,413
Berry Hall	648,704	634,127
Morey Hall	474,708	464,416
Anderson Hall	303,209	302,791
Neihardt Hall	406,815	362,243
Pile Hall	310,713	272,903
Terrace Hall	299,021	308,512
Family housing	6,600	9,500
Less room waivers	(504,700)	(467,002)
Total rentals	\$ 2,752,033	2,693,903

See accompanying independent auditors' report.



**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Operation and Maintenance Fund Expenditures

Years ended June 30, 2009 and 2008

<b>Chadron State College</b>	<b>2009</b>	<b>2008</b>
Salaries, payroll taxes, and benefits	\$ 1,456,928	1,402,707
Utilities	530,789	433,734
Cable televisior	88,161	100,959
Supplies	247,697	270,452
Repairs and maintenance	98,081	74,018
Insurance	23,652	20,314
Professional and contractual services	22,938	9,184
Equipment and furnishing	15,008	14,770
Miscellaneous	40,354	25,392
Total operation and maintenance fund expenditures	\$ 2,523,608	2,351,530
<b>Peru State College</b>	<b>2009</b>	<b>2008</b>
Salaries, payroll taxes, and benefits	\$ 280,889	265,495
Communication service	67,671	72,468
Utilities	274,860	252,158
Repairs and maintenance	20,196	12,869
Supplies	81,694	65,750
Professional and contractual services	47,418	48,968
Insurance	26,488	23,685
Miscellaneous	9,492	3,556
Total operation and maintenance fund expenditures	\$ 808,708	744,949
<b>Wayne State College</b>	<b>2009</b>	<b>2008</b>
Salaries, payroll taxes, and benefits	\$ 1,984,408	1,954,885
Utilities	735,565	724,158
Supplies	214,623	175,159
Equipment and furnishing	258,147	150,063
Communication service	152,245	187,414
Repairs	99,752	116,840
Contractual services	190,315	195,269
Insurance	31,512	24,713
Printing	4,167	8,089
Miscellaneous	24,332	28,789
Total operation and maintenance fund expenditures	\$ 3,695,066	3,565,379

See accompanying independent auditors' report.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Insurance in Force

(Unaudited)

June 30, 2009

**Chadron State College**

Type	Coverage amount
Business interruption value	\$ 3,185,000
Blanket contents	4,189,695
Fire and extended coverage	44,918,541
Dormitories and housing facilities, 90% coinsuranc	70,698,280
Student union and other buildings, 90% coinsuranc	—

**Peru State College**

Type	Coverage amount
Business interruption value	\$ 3,898,189
Blanket contents	2,525,912
Fire and extended coverage	
Dormitories and housing facilities, 90% coinsuranc	21,561,326
Student union and other buildings, 90% coinsuranc	5,405,182

**Wayne State College**

Type	Coverage amount
Business interruption value	\$ 11,886,104
Blanket contents	5,738,274
Fire and extended coverage	
Dormitories and housing facilities, 90% coinsuranc	43,479,984
Student union and other buildings, 90% coinsuranc	22,006,738

See accompanying independent auditors' report.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Debt Service Coverage

Years ended June 30, 2009 and 2008

<u>Chadron State College</u>	<u>2009</u>	<u>2008</u>
Receipts:		
Dormitories	\$ 2,056,960	1,869,302
Family housing	149,577	157,772
Facilities fees	804,658	701,009
Food service and student union snack bar	2,181,426	1,970,634
Other	282,770	249,713
Total receipts	<u>5,475,391</u>	<u>4,948,430</u>
Less refunds	<u>(4,193)</u>	<u>(7,706)</u>
Net receipts	5,471,198	4,940,724
Interest earned	<u>29,530</u>	<u>125,420</u>
Total additions	<u>5,500,728</u>	<u>5,066,144</u>
Deductions:		
Operation and maintenance expenditures (note)	2,518,276	2,351,530
Food service contract payments	1,513,135	1,441,774
Other	154,430	89,981
Total deductions	<u>4,185,841</u>	<u>3,883,285</u>
Available for debt service, reserves, etc.	<u>\$ 1,314,887</u>	<u>1,182,859</u>
Debt service, principal, and interest requirement (note)	\$ 594,045	604,125
Debt service coverage	221%	196%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$785,310 and \$98,844 during the years ended June 30, 2009 and 2008, respectively have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2009 and 2008, respectively

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Debt Service Coverage

Years ended June 30, 2009 and 2008

<u>Peru State College</u>	<u>2009</u>	<u>2008</u>
Receipts:		
Rentals	\$ 1,041,645	937,644
Facilities fees	191,276	171,141
Food service	910,494	949,461
Lease income	42,544	57,525
Other	58,658	86,073
Total receipts	<u>2,244,617</u>	<u>2,201,844</u>
Less refunds	<u>(2,602)</u>	<u>(8,003)</u>
Net receipts	2,242,015	2,193,841
Interest earned	<u>32,172</u>	<u>77,667</u>
Total additions	<u>2,274,187</u>	<u>2,271,508</u>
Deductions:		
Operation and maintenance expenditures (note	808,708	744,949
Food service contract payments	<u>888,837</u>	<u>904,053</u>
Total deductions	<u>1,697,545</u>	<u>1,649,002</u>
Available for debt service, reserves, etc.	<u>\$ 576,642</u>	<u>622,506</u>
Debt service, principal, and interest requirement (note)	\$ 250,040	248,273
Debt service coverage	231%	251%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$63,107 and \$243,195 during the years ended June 30, 2009 and 2008, respectively have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2009 and 2008, respectively

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Debt Service Coverage

Years ended June 30, 2009 and 2008

<u>Wayne State College</u>	<u>2009</u>	<u>2008</u>
Receipts:		
Dormitories	\$ 2,752,033	2,693,903
Food service and commissioi	3,470,194	3,284,006
Facilities fees	822,062	823,170
Other	389,788	363,406
Total receipts	<u>7,434,077</u>	<u>7,164,485</u>
Less refunds	<u>(9,829)</u>	<u>(19,505)</u>
Net receipts	7,424,248	7,144,980
Interest earned	<u>44,474</u>	<u>220,320</u>
Total additions	<u>7,468,722</u>	<u>7,365,300</u>
Deductions:		
Operation and maintenance expenditures (note	3,695,066	3,565,379
Food service contract payments	1,987,175	1,849,103
Other	203	80
Total deductions	<u>5,682,444</u>	<u>5,414,562</u>
Available for debt service, reserves, etc.	<u>\$ 1,786,278</u>	<u>1,950,738</u>
Debt service, principal, and interest requirement (note)	\$ 730,683	730,835
Debt service coverage	245%	267%

Note: In accordance with the debt agreement, expenditures paid for capital improvements and extraordinary repairs that were charged to surplus and construction funds held by the trustee in the amount of \$656,683 and \$588,044 during the years ended June 30, 2009 and 2008, respectively have not been deducted in arriving at the debt service coverage. The debt service requirement amount includes principal and interest payments due in 2009 and 2008, respectively

See accompanying independent auditors' report.

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Bonds Outstanding

June 30, 2009

<b>Chadron State College</b>	<b>Principal amount, Series 2002C and Series 2003A</b>
Maturing July 1:	
2009	\$ 340,000
2010	345,000
2011	235,000
2012	200,000
2013	205,000
2014	215,000
2015	220,000
2016	230,000
2017	240,000
2018	250,000
2019	265,000
2020	275,000
2021	290,000
2022	305,000
2023	320,000
2024	340,000
2025	355,000
2026	375,000
2027	395,000
2028	415,000
Total	\$ 5,815,000

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Bonds Outstanding

June 30, 2009

<b>Peru State College</b>	<b>Principal amount, Series 2002B</b>
Maturing July 1:	
2009	\$ 110,000
2010	110,000
2011	120,000
2012	120,000
2013	125,000
2014	130,000
2015	135,000
2016	145,000
2017	145,000
2018	155,000
2019	165,000
2020	170,000
2021	180,000
2022	190,000
2023	200,000
2024	210,000
2025	220,000
2026	230,000
2027	240,000
	<u>\$ 3,100,000</u>

**NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS**

Bonds Outstanding

June 30, 2009

Wayne State College	<b>Principal amount, Series 2002A and Series 2003B</b>
Maturing July 1:	
2009	\$ 360,000
2010	375,000
2011	385,000
2012	400,000
2013	420,000
2014	435,000
2015	455,000
2016	470,000
2017	485,000
2018	515,000
2019	370,000
2020	385,000
2021	400,000
2022	420,000
2023	445,000
2024	465,000
2025	485,000
2026	515,000
2027	535,000
Total	\$ 8,320,000

See accompanying independent auditors' report.



NEBRASKA STATE COLLEGES  
REVENUE AND REFUNDING BOND FUNDS

Occupancy  
(Unaudited)  
Year ended June 30, 2009

Chadron State College										
	Summer session 2008			First term		Second term			Summer session 2009	
	Capacity	Number	Percent	Number	Percent	Capacity	Number	Percent	Number	Percent
High Rise Dormitory	422	—	—%	271	64%	422	276	65%	—	—%
Edna Work/Wing Hall	186	36	19	122	66	186	114	61	28	15
Kent Hall	275	—	—	236	86	275	165	60	—	—
Andrews Hall	284	—	—	181	64	284	169	60	—	—
Brooks Hall	84	—	—	57	68	84	54	64	—	—
Family housing	41	29	71	37	90	41	34	83	27	66
	<u>1,292</u>	<u>65</u>		<u>904</u>		<u>1,292</u>	<u>812</u>		<u>55</u>	

  

Peru State College									
	First term			Second term			Summer session		
	Capacity	Number	Percent	Capacity	Number	Percent	Capacity	Number	Percent
Centennial Complex	260	227	87%	260	207	80%	260	—	—%
Eliza Morgan Hall	98	75	77	98	69	70	98	—	—
Delzell Hall	144	106	74	144	105	73	144	—	—
Faculty housing	8	7	88	8	5	63	8	8	100
Married student housing	12	9	75	12	9	75	12	6	50
	<u>522</u>	<u>424</u>		<u>522</u>	<u>395</u>		<u>522</u>	<u>14</u>	

  

Wayne State College											
	Summer session July 2008			First term		Second term		Summer session May 2009		Summer session June 2009	
	Capacity	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Anderson Hall	160	—	—%	129	81%	116	73%	—	—%	—	—%
Berry Hall	310	—	—	273	88	248	80	1	—	—	—
Bowen Hall	436	10	2	332	76	280	64	—	—	—	—
Morey Hall	229	—	—	199	87	180	79	—	—	—	—
Neihardt Hall	177	—	—	141	80	128	72	24	14	10	6
Pile Hall	136	—	—	119	88	112	82	—	—	—	—
Terrace Hall	136	—	—	123	90	107	79	—	—	—	—
Family housing	1	1	100	1	100	1	100	1	100	1	100
	<u>1,585</u>	<u>11</u>		<u>1,317</u>		<u>1,172</u>		<u>26</u>		<u>11</u>	

Note: Occupancy numbers are based on occupancy levels at the end of each term and do not reflect changes that may occur during the course of each term. The occupancy percentages are based on the number of beds occupied, as the rooms were designed. In many cases, students elect to pay a higher rate for a two-bed room and occupy it as a private room. The "room occupancy" rate, which is higher at all three colleges than the bed occupancy percentages, gives a clearer picture of the situation that exists.

See accompanying independent auditors' report.