

Kern Community College District

Bakersfield, California

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITORS' REPORTS

June 30, 2024



Kern Community College District

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Kern Community College District
Bakersfield, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Kern Community College District (the District) as of and for the year ended June 30, 2024; and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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.

Responsibilities of Management for the Financial Statements

The District'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 District'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.

INDEPENDENT AUDITORS' REPORT

(Continued)

Auditors' 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 auditors' 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 the District'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 the District'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.

INDEPENDENT AUDITORS' REPORT

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 6 through 9, and the required supplementary information on pages 54 through 62 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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 District's basic financial statements. The accompanying supplementary information on pages 64 to 84, including the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare 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 information on pages 64 to 84 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

INDEPENDENT AUDITORS' REPORT

(Continued)

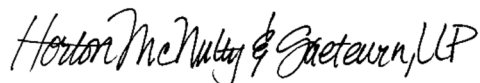
Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the organization structure but does not include the basic financial statements or our auditors' 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 February 20, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 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 District's internal control over financial reporting and compliance.



February 20, 2025f
Chico, California

FINANCIAL SECTION

Kern Community College District

MANAGEMENT’S DISCUSSION AND ANALYSIS

OVERVIEW

Management’s discussion and analysis (MD&A) provides a broad overview of the State of California’s budget, the resources provided for the California Community College System, Kern Community College District’s financial condition as of June 30, 2024, and significant changes from the previous year. Management has prepared the financial statements and related note disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related notes of the Kern Community College District, which directly follow this MD&A.

DISTRICT BACKGROUND

The California Community College system is comprised of 116 colleges and is the largest system of higher education in the nation. The California Community Colleges are uniquely positioned to help residents of all backgrounds improve their social and economic mobility and build a better future for themselves and their families. The Kern Community College District (the “District”) serves communities over 24,800 square miles in parts of Kern, Tulare, Inyo, Mono, and San Bernardino counties through the programs of Bakersfield College, Cerro Coso Community College and Porterville College. The District is geographically one of the largest community college districts in the United States, serving more than 30,000 students. The mission of the District is to provide outstanding educational programs and services that are responsive to our diverse students and communities.

FINANCIAL HIGHLIGHTS

The State of California’s budget in fiscal year 2023-24 continued to provide consistent resources for the state’s community college system. The District also experienced continued growth in its funding resources; however, significant uncertainty with the state and District budgets continues to be a concern. The District believes it needs to continue to position itself for a long-term financial downturn. The District continues to evaluate and identify opportunities for expenditure controls, organizational enhancements, reserve management and conservative budget planning and student enrollment management practices.

Fiscal year 2023-24 is the sixth year of Student-Centered Funding Formula (SCFF) that changed the state funding from being based wholly on enrollment, to incorporate student success and equity funding. As SCFF continues to evolve, the District continues to take a conservative approach to the changes occurring at the state. The objective of the new funding formula is to mitigate the challenges that the system has long struggled to address institutionally.

In the November 2016 election, Bond Measure J in the amount of \$502 million passed. In June 2017, the District issued the first \$40 million of Measure J bonds and in September 2018, the District issued an additional \$71 million. In October 2020, the District issued \$64 million of Measure J Bonds and \$53 million of Measure J Bond Anticipation Notes (BAN). The BANs were issued as a short-term approach to respond to the downturn in oil producing property values. In November 2022, the District issued series D of Measure J Bonds in the amount of \$200 million.

Kern Community College District
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The MD&A financial statement presentation consists of the comparative statements of net position, statements of revenues, expenses, and changes in net position, statements of cash flows, and accompanying analysis for the June 30, 2024 and 2023 fiscal years. These statements provide information on the financial position of the District and the financial activity and results of its operations during the years presented.

STATEMENT OF NET POSITION

The statement of net position presents assets, liabilities, and net position of the District as of the end of the fiscal year and is prepared using the full accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The statement of net position is a point of time financial statement for the purpose of presenting the readers a fiscal snapshot of the District.

The District's total assets and deferred outflows increased by \$152 million. This change is largely due increases in restricted cash and investments of \$15 million and depreciable capital assets of \$129 million.

The District's total liabilities and deferred inflows increased \$94 million. This increase is primarily due to an increase in advances from grantors of \$27 million, an increase in net pension liabilities of \$17 million, and an increase of \$52 million in long-term debt offset by a decrease in deferred inflows of \$6 million.

Details are provided on the following table:

Kern Community College District
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

June 30	2024	2023	Change	% Change
Assets				
Current assets:				
Cash and cash equivalents	\$ 458,270,803	\$ 429,831,833	\$ 28,438,970	6.6%
Restricted cash and cash equivalents	62,060,989	112,953,529	(50,892,540)	-45.1%
Accounts receivable - net	72,858,633	44,863,199	27,995,434	62.4%
Prepaid expenses	14,962,273	17,188,814	(2,226,541)	-13.0%
Inventories	73,480	59,244	14,236	24.0%
Total Current Assets	608,226,178	604,896,619	3,329,559	0.6%
Noncurrent assets:				
Restricted cash and cash equivalents	207,218,763	141,444,925	65,773,838	46.5%
Restricted investments	26,502,644	25,333,014	1,169,630	4.6%
Net other postemployment benefits (OPEB) asset	13,144,158	4,712,430	8,431,728	100.0%
Nondepreciable capital assets	224,437,802	278,203,382	(53,765,580)	-19.3%
Depreciable capital assets - net	402,062,862	273,429,724	128,633,138	47.0%
Leased assets - net	27,734,330	29,365,762	(1,631,432)	-5.6%
Total Noncurrent Assets	901,100,559	752,489,237	148,611,322	19.7%
Total Assets	1,509,326,737	1,357,385,856	151,940,881	11.2%
Deferred Outflows of Resources	80,495,082	80,144,327	350,755	0.4%
Liabilities				
Current liabilities:				
Accounts payable	68,229,541	62,595,814	5,633,727	9.0%
Advances from grantors and students	235,160,261	208,268,098	26,892,163	12.9%
Compensated absences - current portion	3,048,981	3,339,691	(290,710)	-8.7%
Lease liability - current portion	1,223,361	1,142,412	80,949	7.1%
Long-term debt - current portion	31,370,929	87,070,179	(55,699,250)	-64.0%
Total Current Liabilities	339,033,073	362,416,194	(23,383,121)	-6.5%
Noncurrent liabilities:				
Compensated absences - noncurrent portion	1,582,761	2,104,825	(522,064)	-24.8%
Net pension liabilities	186,577,333	169,319,473	17,257,860	10.2%
Lease liability - noncurrent portion	28,202,975	29,426,336	(1,223,361)	-4.2%
Long-term debt - noncurrent portion	618,011,534	510,255,723	107,755,811	21.1%
Total Noncurrent Liabilities	834,374,603	711,106,357	123,268,246	17.3%
Total Liabilities	1,173,407,676	1,073,522,551	99,885,125	9.3%
Deferred Inflows of Resources	28,413,714	34,629,721	(6,216,007)	-17.9%
Net Position				
Net investment in capital assets	270,272,970	232,888,605	37,384,365	16.1%
Restricted - expendable	83,648,982	91,221,034	(7,572,052)	-8.3%
Unrestricted	34,078,477	5,268,272	28,810,205	546.9%
Total Net Position	\$ 388,000,429	\$ 329,377,911	\$ 58,622,518	17.8%

Kern Community College District
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Overall, the District's net position increased by \$59 million, increasing from \$329 million to \$388 million.

Summarized data is provided in the tables below:

Years Ended June 30	2024	2023	Change	% Change
Operating revenues	\$ 136,582,441	\$ 205,194,779	\$ (68,612,338)	-33.4%
Operating expenses	340,015,560	295,777,422	44,238,138	15.0%
Operating Loss	(203,433,119)	(90,582,643)	(112,850,476)	-124.6%
Nonoperating revenues and expenses	234,403,156	216,393,304	18,009,852	8.3%
Income (Loss) Before Other Revenue and Expenses	30,970,037	125,810,661	(94,840,624)	75.4%
Other revenue and expenses	27,652,481	20,251,929	7,400,552	36.5%
Change in Net Position	\$ 58,622,518	\$ 146,062,590	\$ (87,440,072)	59.9%

Years Ended June 30	2024	2023	Change	% Change
Cash received from operations	\$ 137,015,242	\$ 350,159,762	\$ (213,144,520)	-60.9%
Cash expended for operations	(320,930,145)	(285,424,739)	(35,505,406)	-12.4%
Net Cash Provided by (Used in) Operating Activities	(183,914,903)	64,735,023	(248,649,926)	384.1%
Net cash provided by noncapital financing activities	219,918,393	208,455,772	11,462,621	5.5%
Net cash provided by (used in) capital and related financing activities	(5,536,862)	136,039,770	(141,576,632)	-104.1%
Net cash used in investing activities	12,853,640	(1,617,610)	14,471,250	-894.6%
Net Change in Cash and Cash Equivalents	43,320,268	407,612,955	(364,292,687)	-89.4%
Cash and Cash Equivalents - Beginning of Year	684,230,287	276,617,332	407,612,955	147.4%
Cash and Cash Equivalents - End of Year	\$ 727,550,555	\$ 684,230,287	\$ 43,320,268	6.3%

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. For questions regarding this report or for additional financial information, please contact:

Melissa Thornsberry, Acting Chief Financial Officer
Vice Chancellor, Finance & Administrative Service
Kern Community College District
2100 Chester Ave,
Bakersfield, CA 93301
(661) 336-5100

Kern Community College District
STATEMENT OF NET POSITION

June 30, 2024

ASSETS

Current Assets

Cash and cash equivalents	\$ 458,270,803
Restricted cash and cash equivalents	62,060,989
Accounts receivable - net	72,858,633
Prepaid expenses	14,962,273
Inventories	73,480

Total Current Assets 608,226,178

Noncurrent Assets

Restricted cash and cash equivalents	207,218,763
Restricted investments	26,502,644
Net other postemployment benefits (OPEB) asset	13,144,158
Nondepreciable capital assets	224,437,802
Depreciable capital assets - net	402,062,862
Leased assets - net	27,734,330

Total Noncurrent Assets 901,100,559

TOTAL ASSETS 1,509,326,737

Deferred Outflows of Resources

Deferred outflows related to OPEB	13,106,167
Deferred outflows related to pensions	62,876,823
Deferred loss on refunding - net	4,512,092

Total Deferred Outflows of Resources \$ 80,495,082

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

Kern Community College District

STATEMENT OF NET POSITION

(Continued)

June 30, 2024

LIABILITIES**Current Liabilities**

Accounts payable	\$ 60,262,109
Accrued interest on long-term debt	7,967,432
Advances from grantors and students	235,160,261
Compensated absences - current portion	3,048,981
Lease liability - current portion	1,223,361
Long-term debt - current portion	31,370,929

Total Current Liabilities 339,033,073**Noncurrent Liabilities**

Compensated absences - noncurrent portion	1,582,761
Net pension liabilities	186,577,333
Lease liability - noncurrent portion	28,202,975
Long-term debt - noncurrent portion	618,011,534

Total Noncurrent Liabilities 834,374,603

TOTAL LIABILITIES 1,173,407,676**Deferred Inflows of Resources**

Deferred inflows related to OPEB	14,890,555
Deferred inflows related to pensions	13,523,159

Total Deferred Inflows of Resources 28,413,714**NET POSITION**

Net investment in capital assets	270,272,970
Restricted - expendable	83,648,982
Unrestricted	34,078,477

TOTAL NET POSITION \$ 388,000,429

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

Kern Community College District

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year Ended June 30, 2024

Operating Revenues	
Tuition and fees	\$ 35,797,695
Less: Scholarship discounts and allowances	25,568,754
Net Tuition and Fees	10,228,941
Grants and contracts - noncapital:	
Federal	16,442,825
State	105,716,434
Local	2,000,968
Auxiliary enterprise sales and charges	2,058,826
Other operating revenue	134,447
Total Operating Revenues	136,582,441
Operating Expenses	
Salaries	152,134,503
Employee benefits	76,223,813
Supplies, materials, and other operating expenses	92,076,994
Utilities	6,869,626
Depreciation	11,079,192
Amortization	1,631,432
Total Operating Expenses	340,015,560
Operating Loss	\$ (203,433,119)

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

Kern Community College District**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

(Continued)

Year Ended June 30, 2024

Nonoperating Revenues (Expenses)	
State apportionments - noncapital	\$ 120,115,238
Education protection account revenues - noncapital	20,815,877
Local property taxes - noncapital	75,411,426
State taxes and other revenues - noncapital	10,120,465
Investment income - noncapital	14,023,270
Financial aid revenues - federal	68,802,690
Financial aid revenues - state	23,342,527
Financial aid disbursements	(98,977,155)
Other nonoperating revenues (expenses) - noncapital	748,818
Total Nonoperating Revenues (Expenses)	234,403,156
Income Before Other Revenues and Expenses	30,970,037
Other Revenues, Expenses, Gains, or Losses	
Local property taxes and revenues - capital	44,979,879
Investment income - capital	10,613,387
Interest expense - capital asset-related debt	(27,940,785)
Total Other Revenues, Expenses, Gains, or Losses	27,652,481
Change in Net Position	58,622,518
Net Position - Beginning of Year	329,377,911
Net Position - End of Year	\$ 388,000,429

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

Kern Community College District
STATEMENT OF CASH FLOWS

Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees	\$ 7,594,826
Federal grants and contracts	17,301,407
State grants and contracts	106,224,128
Local grants and contracts	3,836,055
Payments to/on behalf of employees	(152,561,561)
Payments for benefits	(73,839,038)
Payments to suppliers	(86,123,848)
Payments for utilities	(6,869,626)
Auxiliary enterprise sales and charges	2,058,826
Other receipts (payments)	(1,536,072)

NET CASH USED IN OPERATING ACTIVITIES (183,914,903)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State apportionments - noncapital	119,653,745
Education protection account revenues	20,815,877
Local property taxes	75,411,426
Financial aid revenues - federal	68,802,690
Financial aid revenues - state	23,342,527
Financial aid disbursements	(98,977,155)
State taxes and other revenues	10,120,465
Other receipts (payments)	748,818

NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES 219,918,393

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Local property taxes - capital	44,979,879
State revenue - capital	461,493
Purchases of capital assets	(85,946,750)
Interest paid on capital debt	(32,032,748)
Interest on investments - capital	10,613,387
Bond proceeds received	147,067,621
Principal paid on capital debt	(90,679,744)

NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES \$ (5,536,862)

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

Kern Community College District

STATEMENT OF CASH FLOWS

(Continued)

Year Ended June 30, 2024

CASH FLOWS FROM INVESTING ACTIVITIES

Gain on sale of investments	\$ 4,143,611
Purchase of investments	(5,313,241)
Interest on investments - noncapital	14,023,270

NET CASH PROVIDED BY INVESTING ACTIVITIES 12,853,640**Net Change in Cash and Cash Equivalents** 43,320,268**Cash and Cash Equivalents - Beginning of Year** 684,230,287**Cash and Cash Equivalents - End of Year** \$ 727,550,555**COMPONENTS OF CASH AND CASH EQUIVALENTS**

Cash and cash equivalents	\$ 458,270,803
Restricted cash and cash equivalents - current	62,060,989
Restricted cash and cash equivalents - noncurrent	207,218,763

TOTAL CASH AND CASH EQUIVALENTS \$ 727,550,555**RECONCILIATION OF OPERATING LOSS TO NET****CASH USED IN OPERATING ACTIVITIES**

Operating loss	\$ (203,433,119)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	11,079,192
Amortization	1,631,432
Changes in:	
Accounts receivable	(27,995,434)
Prepaid expenses	2,226,541
Inventories	(14,238)
Deferred outflows of resources	(794,531)
Accounts payable	4,695,740
Advances from grantors and students	26,892,163
Compensated absences	(812,774)
Net other postemployment benefits (OPEB) asset	(8,431,728)
Net pension liabilities	17,257,860
Deferred inflows of resources	(6,216,007)

NET CASH USED IN OPERATING ACTIVITIES \$ (183,914,903)*The accompanying notes are an integral part of these financial statements.*

Kern Community College District
 STATEMENT OF NET POSITION - FIDUCIARY COMPONENT UNIT

June 30, 2024	OPEB Trust
ASSETS	
Interest receivable	\$ 234,724
Other receivables	101,474
Investments at fair value	81,412,757
TOTAL ASSETS	81,748,955
NET POSITION	
Restricted for OPEB	81,748,955
NET POSITION RESTRICTED FOR POSTEMPLOYMENT	
BENEFITS OTHER THAN PENSIONS	\$ 81,748,955

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

Kern Community College District

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY COMPONENT UNIT

	OPEB Trust
Year Ended June 30, 2024	
<hr/>	
ADDITIONS TO NET POSITION ATTRIBUTED TO	
Employer contributions	\$ 2,257,805
<hr/>	
Investment Income	
Net change in fair value of investments	10,651,838
Interest and dividends	1,838,036
Investment expenses	(294,245)
<hr/>	
Net Investment Income	12,195,629
<hr/>	
TOTAL ADDITIONS	14,453,434
<hr/>	
DEDUCTIONS FROM NET POSITION ATTRIBUTED TO	
Benefits paid	5,270,346
<hr/>	
Change in Net Position	9,183,088
<hr/>	
Net Position Restricted for Postemployment Benefits Other Than Pensions - Beginning of Year	72,565,867
<hr/>	
Net Position Restricted for Postemployment Benefits Other Than Pensions - End of Year	\$ 81,748,955
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The accompanying notes are an integral part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity Kern Community College District (the District) is a community college governed by an elected seven-member Board of Trustees. The District provides educational services in the counties of Kern, Tulare, San Bernardino, Inyo, and Mono in the state of California. The District consists of three community colleges located in Bakersfield, Porterville, and Ridgecrest, California, and satellite campuses in outlying areas.

The District identified the Kern Community College District Public Facilities Corporation (the Corporation) and the Kern Community College Public Retirement System as its component units.

In order to make this determination, the District considered the following potential component units: the Corporation, the Kern Community College Public Retirement System, Bakersfield College Foundation, Cerro Coso Community College Foundation, and Porterville College Foundation (collectively, the Foundations). The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Auditing Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 39. The three criteria for requiring a legally separate, tax-exempt organization to be discretely presented as a component unit are the “direct benefit” criterion, the “entitlement/ability to access” criterion, and the “significance” criterion.

The Corporation was established as a legally separate, not-for-profit corporation to provide financial assistance to the District for acquisition and construction of major capital facilities, which, upon completion, will be leased to the District under a lease-purchase agreement. At the end of the lease term, title to all Corporation property will pass to the District for no additional consideration. Therefore, the District has classified the Corporation as a component unit that will be presented in the District’s annual financial statements using the blending method. Additionally, the Kern Community College Public Retirement System (OPEB Trust) was established to administer payments of certain health care benefits and early retirement incentive benefits to retired employees of the District. Effective with fiscal year 2021, the OPEB Trust will be discretely presented as a fiduciary component unit by applying the criteria set forth in GASB Statement No. 84, as amended by GASB Statement No. 92.

All of the foundations are legally separate, not-for-profit corporations established to support the District and its students. The Foundations contribute to various scholarship funds for the benefit of District students as well as making direct contributions to the District. However, the Foundations do not meet the “entitlement/ability to access” criterion. Additionally, due to the size of the District, none of these Foundations, individually, meet the significance criteria; therefore, the District has determined that none of these foundations meet the requirement to be included in the reporting entity as a discretely presented component unit.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Basis of Presentation and Accounting The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities (BTA). Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. All significant intra-agency transactions have been eliminated.

Exceptions to the accrual basis of accounting are as follows:

In accordance with industry standards provided by the California Community Colleges Chancellor's Office, summer session tuition and fees received before year end are recorded as advances from grantors and students as of June 30 with the revenue reported in the fiscal year in which the program is predominately conducted.

The budgetary and financial accounts of the District are recorded and maintained in accordance with the *Budget and Accounting Manual* issued by the California Community Colleges Chancellor's Office.

The fiduciary component unit, for which the District acts only as an agent or trust, is not included in the business-type activities of the District. The activities of the Kern Community College District Public Retirement System (OPEB Trust) are reported in the Statement of Fiduciary Net Position and Statement of Change in Fiduciary Net Position at the fund financial statement level.

The accompanying financial statements of the OPEB Trust are prepared using the accrual basis of accounting. Trust reimbursements to the District for premium payments are recognized in the period in which the reimbursements are due. Employer contributions to the Trust are recognized when due and the District has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Cash and Cash Equivalents For purposes of the statement of cash flows, the District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested in the County Treasurer's investment pool are considered cash equivalents.

Investments GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, provides that amounts held in external investment pools be reported at fair value. However, cash in the County Treasury and investments in the Local Agency Investment Fund (LAIF) are recorded at the value of the pool shares held, which approximates the fair value of the underlying cash and investments of the pool.

All other investments are reported at fair value based on quoted market prices with realized and unrealized gains or losses reported in the statement of revenues, expenses, and changes in net position.

Restricted Cash and Investments Restricted cash and investments include cash restricted for the repayment of debt, for use in the acquisition or construction of capital assets, for restricted programs, for any other restricted purpose, or in any funds restricted in purpose per the *California Community Colleges Budget and Accounting Manual*.

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

Accounts Receivable Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the state of California. Accounts receivable also include amounts due from federal, state, and local governments, or private sources, in connection with reimbursement of allowable expenses made pursuant to the District’s grants and contracts. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. The allowance for uncollectible accounts is calculated by applying certain percentages to each aging group. The allowance was estimated at \$14,902,920 for the year ended June 30, 2024.

Prepaid Expenses Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Where historical cost is not available, estimated historical cost is based on replacement cost reduced for inflation. Capitalized equipment includes all items with a unit cost of \$5,000 or more and estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expenses in the year in which the expense was incurred. Capital assets also include right-to-use assets, the measurement of which is described later in this section.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 15 years for portable buildings, 10 years for site improvements, and 3 to 8 years for equipment and vehicles. Amortization of the right-to-use asset is provided over the shorter of the lease period or the asset’s estimated useful life which is 20 years.

The District has entered into two significant joint facility use agreements with other public agencies. These agreements call for the prepayment of lease costs by the District in exchange for designated future use of specific facilities being constructed by various other public agencies. These prepayments were designated to be utilized to complete construction of the new facilities to be jointly used by the District and other public agencies. Based on management’s interpretation of current generally accepted accounting principles, these payments meet the definition of a capital asset due to the long-term nature of the agreements even though the District does not have an actual ownership interest in the capital assets underlying the agreements.

Contracting Public Agencies	Term	Facilities	Prepaid Amount
Delano Joint Union High School District	50 Years	Gymnasium and Lecture Center	\$ 4,000,000
Mono County Library Authority, Mono County Board of Education, and Mammoth Unified School District	90 Years	Library	\$ 3,500,000

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Advances From Grantors and Students Advances from grantors and students include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that relate to the subsequent accounting period. Advances from grantors and students also include amounts received from grant and contract sponsors that have not yet been earned.

In addition, the District acts as a regional fiscal agent of the Strong Workforce Program (SWP). The District receives funding from the California Community Colleges Chancellor's Office. As a fiscal agent, the District is responsible for processing reimbursement claims from agencies who have been awarded SWP funds. Based on the timing of receipt of funds by the District, and the processing of funding reimbursements, it is customary for unawarded funds to remain at the end of the fiscal year.

Compensated Absences Accumulated and vested unpaid employee vacation benefits and compensatory time are recognized as liabilities of the District as the benefits are earned.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires, if the employee is a member of California Public Employees' Retirement System (CalPERS) or California State Teachers' Retirement System (CalSTRS).

Long-Term Liabilities Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which does not differ materially from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year incurred. Amortization of bond premiums and discount costs was \$1,976,113 for the year ended June 30, 2024.

OPEB For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the District's OPEB Plan (the Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension For purposes of measuring the net pension liability, deferred outflows of resources/deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and CalPERS and additions to/deductions from STRP's and CalPERS's fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable with the benefit terms. Investments are reported at fair value.

Fair Value Measurements The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Deferred Outflows/Inflows of Resources In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period, which will only be recognized as an outflow of resources (expense) in the future.

District contributions subsequent to the measurement date related to pension plans, are reported as deferred outflows of resources in the statement of net position. District contributions subsequent to the measurement date will be amortized during the next fiscal year.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and would only be recognized as an inflow of resources (revenue) at that time.

Changes in proportion and differences between the District's contributions and proportionate share of pension contributions, the District's proportionate share of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and the differences between the District's expected and actual experience, are reported as deferred inflows of resources or deferred outflows of resources in the statement of net position. These amounts are amortized over the estimated service lives of the pension plan participants.

Differences between projected and actual earnings on OPEB plan investments, changes in assumptions, and the differences between the District's expected and actual experience, are reported as deferred inflows or deferred outflows of resources in the statement of net position. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan.

The District also has a deferred loss on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Leases

Lessee The District analyzes lease agreements on an individual basis to determine if the lease agreement is materially significant. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain indirect costs. Subsequently, the leased asset is amortized on a straight-line basis over the shorter of the asset's useful life or the life of the lease.

Key estimates and judgments related to leases include how the District determines the discount rate it uses to discount the expected lease payments to present value, the lease term, and the lease payments. The District uses the following key estimates and assumptions:

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the leased asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Net Position The District's net position is classified as follows:

Net Investment in Capital Assets: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position - Expendable: Restricted expendable net position represents resources which are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.

Unrestricted Net Position: Unrestricted net position represents resources derived from student tuition and fees, state apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources, and then toward unrestricted resources.

Classification of Revenues The District has classified its revenues as either operating or nonoperating. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, including state appropriations, local property taxes, and investment income. Revenues are classified according to the following criteria:

Operating Revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as: (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises; and (3) some federal, state, and local grants and contracts, and federal appropriations.

Nonoperating Revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources, such as state appropriations, financial aid, and investment income.

Scholarship Discounts and Allowances Student tuition and fee revenue are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances represent the difference between stated charges for goods and services provided by the District and the amount that is paid by students and/or third parties making payments on the students' behalf.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

State Apportionments Certain current-year apportionments from the state are based on various financial and statistical information of the previous year as well as state budgets and other factors outside the District's control. In February, subsequent to the year end, the state will perform a recalculation based on actual financial and statistical information for the year just completed. The District's policy is to estimate the recalculation correction to apportionment, if any, based on factors it can reasonably determine such as local property tax revenue received and reductions in FTES. Any additional corrections determined by the state are recorded in the year computed by the state.

Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Property Taxes Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 1 and February 1, and become delinquent if paid after December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes for the District.

Budget and Budgetary Accounting By state law, the District's governing board must approve a tentative budget no later than July 1, and adopt a final budget no later than September 15 of each year. A hearing must be conducted for public comments prior to adoption. The District's governing board satisfied these requirements.

The budget is revised during the year to incorporate categorical funds that are awarded during the year and miscellaneous changes to the spending plans. The District's governing board approves revisions to the budget.

On-Behalf Payments GASB Statement No. 24 requires that direct on-behalf payments for fringe benefits, and salaries made by an entity to a third-party recipient for the employees of another legally separate entity be recognized as revenue and expenses by the employer government. The state of California makes direct on-behalf payments for retirement benefits to CalSTRS and CalPERS on behalf of all community college districts in California. The amount reported in the basic financial statements for the year ended June 30, 2024, was \$4,401,620.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

The cash and cash equivalents are as follows:

<u>June 30, 2024</u>	
Cash and cash equivalents	\$ 458,270,803
Restricted cash and cash equivalents	269,279,752
Total Cash and Cash Equivalents	\$ 727,550,555

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

The carrying amount of the District's cash is summarized as follows:

June 30, 2024

Cash in County Treasury	\$ 724,815,271
Cash on hand and in banks	2,545,679
Cash held by trustees	189,605
Total Cash and Cash Equivalents	\$ 727,550,555

As provided for by *California Education Code*, Section 41001, a significant portion of the District's cash balances of most funds is deposited with the Kern County Treasurer for the purpose of increasing interest earned through County investment activities. The County Treasury's Pooled Money Investment accounts weighted average maturities were less than two years at June 30, 2024, and the pool is unrated.

Copies of the County's audited financial statements can be obtained from the Kern County Auditor-Controller's Office, 1115 Truxtun Avenue, Bakersfield, California 93301-4639.

The pooled treasury has regulatory oversight from the Kern County Treasury Oversight Committee in accordance with *California Government Code* requirements.

The *California Government Code* requires California banks and savings and loan associations to secure the District's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110% of an entity's deposits. California law also allows financial institutions to secure an entity's deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits.

All cash held by financial institutions is collateralized by securities that are held by the broker or dealer, or by its trust department or agent, but not in the District's name. In addition, \$549,748 of the bank balances at June 30, 2024, are insured.

The District's investment policy is consistent with *California Government Code* as it relates to investment vehicles. The District's investment policy authorizes the District to invest in the following:

- U.S. Treasury notes, bonds, and bills
- Registered warrants, treasury notes, and bonds of the State of California
- Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California
- Obligations issued by, or fully guaranteed as to principal and interest by the Federal National Mortgage Association or instruments issued by a federal agency
- Bankers' acceptances which are eligible for purchase by the Federal Reserve System
- Rated commercial paper (A1 or P1)

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

- Negotiable certificates of deposit
- Repurchase agreements and reverse repurchase agreements with Master Agreement under California law
- Medium-term notes with a maximum of five (5) years maturity issued by U.S. Corporations and rated A or better
- Money market mutual funds meeting criteria prescribed in *California Government Code*, Section 53601
- Local Agency Investment Fund (LAIF)
- Passbook savings account demand deposits
- Interest-bearing demand deposits with the County of Kern Auditor-Controller

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; and level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2024:

- County treasurer's investment pool and the Investments in LAIF are valued using quoted prices for similar instruments in active markets and quoted prices for identical or similar instruments in markets that are not active (level 2 inputs).
- U.S. Treasury securities are valued using quoted market prices (level 1 inputs).
- Taxable municipal bonds are valued using quoted market prices (level 1 inputs).
- Corporate bonds are valued using a matrix pricing model (level 2 inputs).

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

The District's investments are as follows:

June 30, 2024	Level 1	Level 2
County treasury pool	\$ -	\$ 724,815,271
Investments in LAIF	-	1,017,509
Certificates of deposit	2,854,231	-
Money market	59,971	-
Municipal bonds	-	8,745,847
Corporate bonds and notes:		
Communication	-	477,113
Energy	-	841,053
Financial services	-	1,218,433
Healthcare	-	712,960
Industrials	-	465,028
Technology	-	945,848
Other	-	1,790,668
U.S. Government agency securities	7,373,983	-
Total Investments	\$ 10,288,185	\$ 741,029,730

The District participates in the LAIF, a voluntary program created by statute (*California Government Code*, Section 16429). The Local Investment Advisory Board provides oversight for LAIF. Market valuation is conducted monthly and fund policies, goals, and objectives are reviewed annually. The District has the right to withdraw its deposited monies from LAIF upon demand. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. LAIF's exposure and the District's related exposure to credit, market, and legal risk is not available. Foreign bonds are dollar-denominated bonds of companies based outside the United States of America.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. The District manages its exposure to interest rate risk using multiple strategies. Those strategies are as follows:

1. The implementation of a “ladder” in which bond maturities are staggered evenly over a five-year period. This partially neutralizes interest rate risk by giving the District the flexibility of reinvesting shorter-term securities in higher interest rates (assuming interest rates are moving up) and locking in a portion of the portfolio at higher rates on a longer term basis if interest rates move downward. The overall goal is to provide a more competitive “average” yield on the portfolio as opposed to making directional yield curve projections at various points on the curve.
2. The District also diversifies through investing in credit quality securities. Over 29% of the portfolio is currently weighted in AAA-rated securities. These securities tend to perform better in volatile interest rate environments. The District’s bias is to keep a solid majority of the portfolio in AAA-rated securities at all times for capital preservation purposes.
3. The District invests in “step-up” coupon bonds and some “floating-rate” debt in the portfolio. This also assists in cushioning the portfolio from credit risk during periods of higher interest rates.

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table of the District’s investments by maturity:

June 30, 2024	Fair Value	Investment Maturities		
		Less Than One Year	One to Five Years	More Than Five Years
Investment in LAIF	\$ 1,017,509	\$ 1,017,509	\$ -	\$ -
Certificates of deposit	2,854,231	473,963	2,380,268	-
Municipal bonds	8,745,847	-	8,255,990	489,857
Money market	59,971	59,971	-	-
Corporate bonds and notes	6,451,103	122,350	6,328,753	-
U.S. Government agency securities	7,373,983	-	7,373,983	-
Total Investments	\$ 26,502,644	\$ 1,673,793	\$ 24,338,994	\$ 489,857

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. This is measured by ratings assigned by nationally-recognized organizations. The following represents the actual ratings of the investment types:

June 30, 2024	Fair Value	Investment Ratings							
		AAA	AA+	AA	AA-	A+	A	A-	Unrated
Investment in LAIF	\$ 1,017,509	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,017,509
Certificates of deposit	2,854,231	2,854,231	-	-	-	-	-	-	-
Municipal bonds	8,745,847	1,619,569	1,388,204	2,187,270	3,322,539	228,265	-	-	-
Money market	59,971	59,971	-	-	-	-	-	-	-
Corporate bonds and notes	6,451,103	717,978	713,493	1,193,045	1,689,476	713,615	937,438	486,058	-
U.S. Government securities	7,373,983	2,808,460	4,565,523	-	-	-	-	-	-
Total Investments	\$26,502,644	\$ 8,060,209	\$ 6,667,220	\$ 3,380,315	\$ 5,012,015	\$ 941,880	\$ 937,438	\$ 486,058	\$ 1,017,509

Concentration risk is defined as positions of 5% or more in the securities of a single issuer. The District’s investment policy contains no limitations on the amount that can be invested in any single issuer. A total of 27.82% of the District’s investments are in Federal National Mortgage Association and Federal Home Loan Bank, which are U.S. government-sponsored enterprises.

The U.S. Government agency securities (Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank and Federal Home Loan Bank) are mortgage-backed securities which entitle the purchaser to receive a share of the cash flows, such as principal and interest payments, from a pool of mortgages. Mortgage securities are sensitive to interest rate changes because principal payments either increase (in a low interest rate environment) or decrease (in a high interest rate environment). A change, up or down, in the payment rate will result in a change in the security yield.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., financial institution, broker-dealer) to a transaction, a government will not be able to recover the value of its cash and investments or collateral securities that are in the possession of another party.

For investments, the District's policy requires that a third-party bank trust department hold all securities owned by the District in the District's name.

3. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following:

June 30, 2024	
Tuition and fees	\$ 21,944,280
Less: Allowance for doubtful accounts	14,902,920
Tuition and Fees - Net	7,041,360
Federal grants and contracts	9,566,490
State grants and contracts	45,792,309
Local grants and contracts	1,556,534
State taxes and other revenues	1,774,601
Other	7,127,339
Total	\$ 72,858,633

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

4. CAPITAL ASSETS

Capital assets activity is summarized as follows:

Year Ended June 30, 2024	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 19,277,546	\$ -	\$ -	\$ 1,062,855	\$ 20,340,401
Construction in progress	258,925,836	78,250,179	-	(133,078,614)	204,097,401
Total Nondepreciable Capital Assets	\$ 278,203,382	\$ 78,250,179	\$ -	\$ (132,015,759)	\$ 224,437,802
Depreciable Capital Assets					
Site improvements	\$ 8,198,420	\$ -	\$ -	\$ -	\$ 8,198,420
Joint use facilities agreements	7,448,375	-	-	-	7,448,375
Buildings and improvements	369,455,109	2,228,718	-	130,501,718	502,185,545
Equipment	32,099,770	4,080,890	-	1,514,041	37,694,701
Computer equipment	21,221,249	691,309	-	-	21,912,558
Vehicles	4,438,197	695,653	-	-	5,133,850
Total Depreciable Capital Assets	442,861,120	7,696,570	-	132,015,759	582,573,449
Less: Accumulated depreciation	169,431,396	11,079,191	-	-	180,510,587
Total Depreciable Capital Assets - Net	\$ 273,429,724	\$ (3,382,621)	\$ -	\$ 132,015,759	\$ 402,062,862
Leased Assets					
Building and leasehold improvements	\$ 32,628,624	\$ -	\$ -	\$ -	\$ 32,628,624
Less: Accumulated amortization	3,262,862	1,631,432	-	-	4,894,294
Total Leased Assets - Net	\$ 29,365,762	\$ (1,631,432)	\$ -	\$ -	\$ 27,734,330
Total Capital Assets - Net	\$ 580,998,868	\$ 73,236,126	\$ -	\$ -	\$ 654,234,994

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

5. ACCOUNTS PAYABLE

Accounts payable consisted of the following:

June 30, 2024	
Accrued payroll and related liabilities	\$ 11,149,267
Construction payables	14,165,034
Other	34,947,808
Total	\$ 60,262,109

6. LEASE

The District has entered into a noncancelable lease for the use of a building. At June 30, 2024, the value of the lease liability was \$29,426,336. The District is required to make monthly principal and interest payments of varying amounts. The lease has no stated rate of interest therefore the District's incremental borrowing rate was used (3.6%). The agreement does not contain a purchase option. Conditions of the lease do not provide for variable payments or residual value guarantees. The value of the right-to-use asset as of June 30, 2024, was \$32,628,624 and had accumulated amortization of \$4,894,294. The amount of interest cost incurred during the year ended June 30, 2024, was \$1,081,569, all of which was charged to expenses. There were no variable or other payments recognized for the year ended June 30, 2024, that were not previously included in the measurement of the lease liability.

The future lease payments are as follows:

Years Ending June 30	Principal	Interest	Total
2025	\$ 1,223,361	\$ 1,039,465	\$ 2,262,826
2026	1,195,787	994,526	2,190,313
2027	1,166,218	953,328	2,119,546
2028	1,250,539	909,597	2,160,136
2029	1,339,042	863,508	2,202,550
2030-2034	8,174,004	8,174,004	16,348,008
2035-2039	11,091,913	11,091,913	22,183,826
2040-2041	3,985,472	3,970,636	7,956,108
Total	\$ 29,426,336	\$ 27,996,977	\$ 57,423,313

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

7. LONG-TERM LIABILITIES

The long-term liability activity is as follows:

Year Ended June 30, 2024	Beginning Balance	Accretion/ Additions	Reductions	Ending Balance	Current Portion
Certificates of participation	\$ 20,710,646	\$ -	\$ 1,705,359	\$ 19,005,287	\$ 1,565,000
Limited obligation improvement bonds	4,425,000	-	247,000	4,178,000	267,000
General obligation improvement bonds	443,596,675	145,194,854	35,320,503	553,471,026	27,710,840
CEC loans - direct borrowing	2,595,824	-	327,674	2,268,150	333,089
Bond anticipation notes	54,127,759	-	54,127,759	-	-
Other postemployment benefit bonds	71,870,000	-	1,410,000	70,460,000	1,495,000
Subtotal	597,325,904	145,194,854	93,138,295	649,382,463	31,370,929
Compensated absences	5,444,516	-	812,774	4,631,742	3,048,981
Net OPEB (asset) liability	(4,712,430)	-	8,431,728	(13,144,158)	-
Net pension liabilities	169,319,473	17,257,860	-	186,577,333	-
Lease liability	30,568,748	-	1,142,412	29,426,336	1,223,361
Total Long-Term Liabilities	\$ 797,946,211	\$ 162,452,714	\$ 103,525,209	\$ 856,873,716	\$ 35,643,271

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Long-term liabilities consisted of the following individual debt issues:

June 30, 2024

CERTIFICATES OF PARTICIPATION

2016 Refunding Bonds Conversion of 2008 Variable Rate Certificates of Participation issued in the original amount of \$27,285,000 with final maturity in 2033. Interest rates range from 2.00% to 5.00%. \$ 17,085,000

Unamortized premium on certificates of participation 1,920,287

CERTIFICATES OF PARTICIPATION - NET 19,005,287

LIMITED OBLIGATION IMPROVEMENT BONDS

2020 Refunding Lease Revenue Bonds issued in the original amount of \$5,298,000. Final maturity is in 2035, with an interest rate of 2.234%. 4,178,000

CEC LOAN - DIRECT BORROWING

Energy Conservation Assistance Loan with a principal amount of \$2,200,000. Final maturity is in 2026, with an interest rate of 3.00%. 468,150

Energy Conservation Assistance Loan with a principal amount of \$3,000,000. Final maturity is in 2036, with an interest rate of 0.00%. 1,800,000

CEC LOANS - DIRECT BORROWING 2,268,150

OTHER POSTEMPLOYMENT BENEFIT BONDS

The 2008 Taxable Other Postemployment Benefit (OPEB) Bonds, Series A, issued in the original amount of \$85,880,000. Final maturity is in 2047, with an interest rate of 6.01%. 70,460,000

Balance Forward \$ 95,911,437

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

June 30, 2024

Balance Brought Forward	\$ 95,911,437
GENERAL OBLIGATION IMPROVEMENT BONDS	
Bonds issued in the original amount of \$7,556,642, including current interest bonds and capital appreciation bonds with final maturity in 2025. Interest rates range from 4.00% to 5.66%.	2,032,016
Bonds issued in the original amount of \$4,022,236, including current interest bonds and capital appreciation bonds with final maturity in 2027. Interest rates range from 3.55% to 5.57%.	2,766,510
Bonds issued in the original amount of \$75,240,068, including current interest bonds and capital appreciation bonds with final maturity in 2028. Interest rates range from 2.00% to 6.78%.	10,325,471
Bonds issued in the original amount of \$49,999,533, including current interest bonds and capital appreciation bonds with final maturity in 2030. Interest rates range from 4.25% to 5.00%.	60,325,562
Bonds issued in the original amount of \$6,985,000, including current interest bonds and capital appreciation bonds with final maturity in 2026. Interest rates range from 2.00% to 5.50%.	825,000
Bonds issued in the original amount of \$61,315,000, including current interest bonds with final maturity in 2034. Interest rates range from 2.01% to 3.07%.	55,200,000
Bonds issued in the original amount of \$64,000,000, including current interest bonds with final maturity in 2047. Interest rates range from 0.400% to 4.00%.	54,600,000
Bonds issued in the original amount of \$200,000,000, including current interest bonds with final maturity in 2041. Interest rates range from 3.00% to 4.00%.	200,000,000
Bonds issued in the original amount of \$127,365,000, including current interest bonds with final maturity in 2041. Interest rates range from 5.00% to 5.40%.	123,270,000
Subtotal	509,344,559
Unamortized premium on general obligation improvement bonds	44,126,467
GENERAL OBLIGATION IMPROVEMENT BONDS - NET	553,471,026
Subtotal	649,382,463
Less: Current portion	31,370,929
Total Long-Term Liabilities - Noncurrent Portion	\$ 618,011,534

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Accretion

General obligation bonds as of June 30, 2024, have been increased by \$46,867,441 to include accumulated accretion of the capital appreciation bonds. Annual accretion is recognized as interest in the statement of activities.

The annual debt service requirements to maturity on the long-term debt issues are as follows:

Years Ending June 30	Bonds			Bond	Total
	Principal	Interest	Total	Premium	
2025	\$ 30,504,073	\$ 31,556,916	\$ 62,060,989	\$ 2,096,954	\$ 64,157,943
2026	23,206,185	30,868,275	54,074,460	2,336,781	56,411,241
2027	22,361,940	31,159,952	53,521,892	2,189,880	55,711,772
2028	19,981,153	36,071,942	56,053,095	2,323,286	58,376,381
2029	21,949,480	26,198,900	48,148,380	2,432,692	50,581,072
2030-2034	153,359,437	105,988,893	259,348,330	14,360,044	273,708,374
2035-2039	155,641,000	51,527,121	207,168,121	14,360,951	221,529,072
2040-2044	102,095,000	15,653,601	117,748,601	5,199,363	122,947,964
2045-2048	27,370,000	2,429,826	29,799,826	746,803	30,546,629
Total	\$ 556,468,268	\$ 331,455,426	887,923,694	46,046,754	933,970,448
Less: Interest (excluding accretion of \$46,867,441)			(284,587,985)	-	(284,587,985)
Net Principal			\$ 603,335,709	\$ 46,046,754	\$ 649,382,463

8. BOND ANTICIPATION NOTES

On November 10, 2020, the District issued capital appreciation bond anticipation notes (BANs) in the amount of \$52,998,182. The District paid \$140,000 in issuance costs from the proceeds. The proceeds from the BANs were used to finance the various bond projects of the District and were issued as a short-term approach to respond to the downturn in oil producing property values. During the year ended June 30, 2024, the District issued Measure J, Series E bonds in the amount of \$127,365,000 at a premium of \$19,702,621. A portion of the proceeds were used to settle the BANs which matured on August 1, 2023. In addition to the principal balance of \$52,998,182, the District paid total accrued interest of \$1,129,577.

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

9. EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under cost-sharing multiple-employer defined benefit pension plans maintained by agencies of the state of California. Certificated employees are members of CalSTRS, and classified employees are members of CalPERS.

Summary

Net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are reported as follows:

June 30, 2024	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS State Teachers' Retirement Plan	\$ 90,119,117	\$ 31,040,607	\$ 9,535,109	\$ 14,233,313
CalPERS School Employer Pool	96,458,216	31,836,216	3,988,050	14,672,046
Total	\$ 186,577,333	\$ 62,876,823	\$ 13,523,159	\$ 28,905,359

Net pension liability, deferred outflows of resources, and deferred inflows of resources are reported in the accompanying statement of net position; pension expense is reported in the accompanying statement of revenue, expenses, and changes in net position.

California State Teachers' Retirement System

Plan Description Certificated employees of the District participate in STRP, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. Benefit provisions are established by state statute, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues publicly available financial reports that can be obtained at www.calstrs.com.

Benefits Provided STRP provides retirement, disability, and survivor benefits to beneficiaries. The defined benefit program provides retirement benefits based on members' final compensation, age, and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members. The program has two benefit formulas:

- **CalSTRS 2% at 60** CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0% of final compensation multiplied by the number of years of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to a maximum of 2.4% at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2% to the age factor, up to the 2.4% maximum.

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

- **CalSTRS 2% at 62** CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0% of final compensation multiplied by the number of years of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4% at age 65 or older.

Contributions Required member, employer, and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Active plan members of the CalSTRS 2% at 60 formula are required to contribute 10.25% of their salary. Active plan members of the CalSTRS 2% at 62 formula are required to contribute 10.205% of their salary. The required employer contribution rate for fiscal year 2023-24 was 19.10% of annual payroll. The District's contributions to CalSTRS for the fiscal year ended June 30, 2024, were \$13,588,704.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions At June 30, 2024, the District reported a net pension liability for its proportionate share of the net pension liability that reflected a reduction for state pension support provided to the District. The amount recognized by the District 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 District, were as follows:

June 30, 2024

District's proportionate share of the net pension liability	\$ 90,119,117
State's proportionate share of the net pension liability associated with the District	43,179,383
Total	\$ 133,298,500

The District's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2024, the District's proportion was 0.118%.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

State Teachers' Retirement Law also requires the state to contribute 10.828% of the members' creditable earnings from the fiscal year ending in the prior calendar year. For the year ended June 30, 2023, the District recognized pension expense of \$4,401,620 and revenue of \$4,401,620 for support provided by the state. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Resources	Deferred Inflows Resources
Changes of assumptions	\$ 7,082,385	\$ 4,820,647
Net difference between projected and actual earnings on pension plan investments	381,250	-
Differences between expected and actual experience	521,823	-
Changes in proportion and differences between District contributions and proportionate share of contributions	9,466,445	4,714,462
District contributions subsequent to the measurement date	13,588,704	-
Total	\$ 31,040,607	\$ 9,535,109

The \$13,588,704 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ending June 30</u>	
2025	\$ (197,482)
2026	(2,891,268)
2027	8,337,270
2028	423,561
2029	773,078
Thereafter	1,471,635
Total	\$ 7,916,794

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

Actuarial Assumptions The total pension liability in the June 30, 2022, actuarial valuation for CalSTRS was determined using the following actuarial assumptions and applied to all periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Investment rate of return	7.10%
Interest on accounts	3.00%
Wage growth	3.50%
Consumer price inflation	2.75%
Post-retirement benefit increases	2.00% simple

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table issued by the Society of Actuaries.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate 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. The best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2023, are summarized in the following table:

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	38%	5.25%
Private equity	14%	6.75%
Real estate	15%	4.05%
Inflation sensitive	7%	3.65%
Fixed income	14%	2.45%
Risk mitigating strategies	10%	2.25%
Cash/liquidity	2%	0.05%
Total	100%	

Discount Rate The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers were made at statutory contribution rates in accordance with the statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assumes that contributions, benefit payments, and administrative expenses occurred midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as the District's proportionate share of the net pension liability if it was calculated using a discount rate that is one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
June 30, 2024			
District's proportionate share of the net pension liability	\$ 151,167,628	\$ 90,119,117	\$ 39,411,214

Pension Plan Fiduciary Net Position Detailed information about the pension plan's fiduciary net position is available in CalSTRS' separately issued *Annual Comprehensive Financial Report (ACFR)*.

California Public Employees' Retirement System

Plan Description Classified employees of the District participate in the School Employer Pool (the Plan) under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by state statute, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a publicly available financial report that can be obtained at www.calpers.ca.gov.

Benefits Provided The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The benefits are based on members' years of service, age, final compensation, and benefit formula. Members become fully vested in their retirement benefits earned to date after five years of credited service.

Contributions Member contribution rates are defined by law. Employer contribution rates are determined by periodic actuarial valuations. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. Active plan members that met the definition of a new member under the Public Employees' Pension Reform Act are required to contribute 8.00% of their salary. Classic employees are required to contribute 7.00% of their salary. The required employer contribution rate for the 2023-24 fiscal year was 26.68%. The District's contributions to CalPERS for the fiscal year ended June 30, 2024, were \$12,572,310.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions At June 30, 2024, the District reported a net pension liability of \$96,458,216 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.2665%.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

For the year ended June 30, 2024, the District recognized pension expense of \$14,672,046. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Resources	Deferred Inflows Resources
Difference between expected and actual experience	\$ 3,520,033	\$ 1,481,456
Net difference between projected and actual earnings on pension plan investments	10,303,117	-
Changes in assumptions	4,443,792	-
Changes in proportion and differences between District contributions and proportionate share of contributions	996,964	2,506,594
District contributions subsequent to the measurement date	12,572,310	-
Total	\$ 31,836,216	\$ 3,988,050

The \$12,572,310 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30

2025	\$ 4,059,024
2026	3,345,843
2027	7,550,345
2028	320,644
Total	\$ 15,275,856

Actuarial Assumptions The total pension liability in the June 30, 2022, actuarial valuation for CalPERS was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90%

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Post-retirement mortality rates are based on CalPERS' experience and include 15 years of projected ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. These tables are used to estimate the value of benefits expected to be paid for service and disability retirements. For disability retirements, impaired longevity is recognized by a separate table.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period June 30, 2000, through June 30, 2019.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term.

The tables below reflect long-term expected real rates of return by asset class.

Asset Class	Assumed Asset Allocation	Real Rate of Return
Global equity - cap-weighted	30%	4.54%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	-5%	-0.59%
Total	100%	

Discount Rate The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as the District's proportionate share of the net pension liability if it was calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

June 30, 2024	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 139,453,648	\$ 96,458,216	\$ 60,923,471

Pension Plan Fiduciary Net Position Detailed information about the pension plan's fiduciary net position is available in CalPERS' separately issued ACFR.

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description and Benefits Provided

The District provides postemployment healthcare benefits for eligible employees who retire with CalSTRS or CalPERS pension benefits immediately upon termination of employment from the District through the Kern Community College District Postretirement Health Benefits Plan (the Plan). The Plan is a single employer OPEB plan and obligations of the Plan members and the District are based on negotiated contracts with the various bargaining units of the District.

Retirees are eligible for benefits depending on their most recent date of hire and their benefit eligibility service. The District pays up to 100% of the eligible retirees' medical, dental, and vision plan premiums. The retirement health benefit may continue for the lifetime of a surviving spouse and for other dependents as long as they are entitled to coverage under pertinent eligibility rules.

Employees Covered

Employees covered by the benefit terms of the Plan consisted of:

June 30, 2024	
Inactive Plan members or beneficiaries currently receiving benefit payments	379
Active Plan members	1,124
Total	1,503

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
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Contributions

The contribution requirements are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements. Additionally, the District has established an irrevocable trust (the Trust) with Union Bank of California through the Retiree Health Benefit Program Joint Powers Authority to prefund a portion of retiree health benefit costs.

The District issued OPEB bonds in a prior year to assist with the funding of the obligation and the Trust will be funded with contributions based on the District's approved final budget annually.

Net OPEB Liability (Asset)

The District's net OPEB liability (asset) for the Plan is measured as the total OPEB liability, less the Plan's fiduciary net position. The net OPEB liability (asset) of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2024. The June 30, 2024, total OPEB liability (asset) was based on the actuarial methods and assumptions as shown below.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2024
Measurement date	June 30, 2024
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Investment rate of return/discount rate	5.00% ⁽¹⁾
Salary increases	2.75%
Consumer price inflation	2.50%
Healthcare cost trend rate	4.00%

(1) Net of investment expenses.

Kern Community College District
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

Mortality rates were based on the following tables that were based on the employee’s classification.

Employee Type	Mortality Tables
Certificated	2020 CalSTRS Mortality (1)
Classified	2021 CalPERS Mortality for Miscellaneous and School Employees (2)
Retiree	2021 CalPERS Retiree Mortality for Miscellaneous and School Employees (3)

1. The mortality assumptions are based on the 2020 CalSTRS Mortality table created by CalSTRS. CalSTRS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of the commonly used tables. This table incorporates mortality projections as deemed appropriate based on CalSTRS analysis.
2. The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and School Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of the commonly used tables. This table incorporates mortality projections as deemed appropriate based on CalPERS analysis.
3. The mortality assumptions are based on the 2021 CalPERS Retiree Mortality for Miscellaneous and School employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of the commonly used tables. This table incorporates mortality projections as deemed appropriate based on CalPERS analysis.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of the following experience studies:

Table	Experience Study
Retirement	2021 CalPERS 2.0% at 55 Rates for Schools Employees
Retirement	2021 CalPERS 2.0% at 62 Rates for Schools Employees
Retirement	2020 CalSTRS 2.0% at 60 Rates
Retirement	2020 CalSTRS 2.0% at 62 Rates
Turnover	2021 CalPERS Turnover for School Employees
Turnover	2020 CalSTRS Termination Rates

CalSTRS and CalPERS periodically study the experience for participating agencies and establishes tables that are appropriate for each pool.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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. The best estimates of mathematical real rates of return for each major asset class included in the target asset allocation as of June 30, 2024, are summarized in the following table:

Asset Class	Percentage of Portfolio	Long-Term Expected Real Rate of Return
US large cap	29%	7.545%
US small cap	13%	7.545%
Foreign stock	9%	7.545%
Other fixed income	49%	3.000%

Discount Rate

The discount rate used to measure the total OPEB liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that all contributions are from the District. An historic 17 year real-rates-of-return for each asset class along with an assumed long-term inflation assumption was used to set the discount rate. The expected investment return was offset by expected investment expenses of 50 basis point. The interest assumption does not reflect a municipal bond rate. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Changes in the Net OPEB Liability (Asset)

The changes in the net OPEB liability (asset) for the Plan are as follows:

Year Ended June 30, 2024

Total OPEB Liability	
Service cost	\$ 1,527,320
Interest	3,310,181
Benefit payments - including refunds of employee contributions	(5,694,366)
Difference between expected and actual experience	1,291,594
Changes in assumptions	316,631
Net Change in Total OPEB Liability	751,360
Total OPEB Liability - Beginning of Year	67,853,437
Total OPEB Liability - End of Year (a)	68,604,797
Plan Fiduciary Net Position	
Contributions - employer	2,534,342
Net investment income	4,250,324
Benefit payments - including refunds of employee contributions	(5,694,366)
Administrative expense	(294,246)
Investment gains and (losses)	8,387,034
Net Change in Plan Fiduciary Net Position	9,183,088
Plan Fiduciary Net Position - Beginning of Year	72,565,867
Plan Fiduciary Net Position - End of Year (b)	81,748,955
Net OPEB Liability (Asset) - End of Year ((a) - (b))	\$ (13,144,158)
Plan fiduciary net position as a percentage of the total OPEB liability	119.16%
Covered-employee payroll	\$ 19,110,925
District's net OPEB asset as a percentage of covered-employee payroll	-68.78%

Kern Community College District
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the District’s net OPEB liability (asset) calculated using the discount rate or healthcare cost trend rate assumption that is one percent higher and lower than the current assumption:

June 30, 2024	Discount Rate	Healthcare Cost Trend Rate
1% decrease in assumption	\$ (7,474,700)	\$ (19,065,293)
Current assumption	\$ (13,144,158)	\$ (13,144,158)
1% increase in assumption	\$ (18,157,339)	\$ (6,308,036)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of \$1,605,592. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,875,121	\$ 9,621,010
Net difference between projected and actual earnings on Plan investments	-	3,955,514
Change in assumptions	6,231,046	1,314,031
Total	\$ 13,106,167	\$ 14,890,555

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

Year Ending June 30	
2025	\$ 812,761
2026	2,164,535
2027	(470,889)
2028	(3,442,625)
2029	(601,612)
Thereafter	(246,558)
Total	\$ (1,784,388)

Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued OPEB financial report held by the District.

11. COMMITMENTS AND CONTINGENCIES

Federal and State Allowances, Awards, and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenses disallowance under terms of the grants, management believes that any required reimbursements will not be material.

Construction Commitments

The District had unfinished construction contracts under the following project categories:

June 30, 2024

Bakersfield College Arvin Educational Center	\$ 3,625,458
Bakersfield College Combined Gym and Fieldhouse	6,321,404
Bakersfield College Student Housing	48,108,396
Cerro Coso College Physical Outdoor Complex Renovation	6,877,685
Porterville College Baseball & Softball Fields	6,010,518
Porterville College Avenue Realignment	2,045,376
Other	4,289,249
Total	\$ 77,278,086

12. RISK MANAGEMENT

The District participates in three joint powers agreements (JPAs) with the Self-Insured Schools of California Workers' Compensation Program (SISC I), Self-Insured Schools of California Property and Liability Program (SISC II), and Self-Insured Schools of California Health Benefits Program (SISC III). Self-Insured Schools of California (SISC) arranges for and provides insurance for its members. SISC groups are governed by boards consisting of representatives from member districts. The boards control the operations of SISC, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in SISC.

Coverage includes property, liability/auto, crime, and boiler/machinery insurance. Liability losses in excess of the District's \$1,000 retention amount are covered up to \$1,500,000 per occurrence. Coverage above the \$1,500,000 level up to \$50,000,000 is afforded by three excess commercial insurers. Property losses in excess of the District's \$5,000 retention amount are covered up to \$250,000 per occurrence. Coverage above the \$250,000 level up to \$140,000,000 is afforded by three excess commercial insurers. There has been no significant reduction in any of the insurance coverages from prior year. Settled claims resulting from these programs have not exceeded insurance coverage in each of the past three fiscal years.

The District has recorded no excess insurance reserves being held by SISC as of June 30, 2024.

13. FUTURE GASB IMPLEMENTATION

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This statement outlines a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The District's management has not yet determined the impact that the implementation of this standard, which is required on July 1, 2024, will have on the District's financial statements, if any.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within twelve months of the date the financial statements are issued. If certain criteria are met, the government must disclose information in the notes to the financial statements to enable users of the financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The District's management has not yet determined the impact that the implementation of this standard, which is required on July 1, 2024, will have on the District's financial statements, if any.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement establishes new accounting and financial reporting requirements, or modifies existing requirements relating to management's discussion and analysis; unusual or infrequent items; presentation of proprietary fund information; major component units; budgetary comparison information; and financial trends information. The District's management has not yet determined the impact that the implementation of this standard, which is required on July 1, 2025, will have on the District's financial statements, if any.

REQUIRED SUPPLEMENTARY INFORMATION

Kern Community College District

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS

Years Ended June 30	2024	2023	2022	2021
Total OPEB Liability				
Service cost	\$ 1,527,320	\$ 1,486,443	\$ 1,678,390	\$ 3,097,345
Interest	3,310,181	3,306,828	3,642,233	4,806,623
Benefit payments - including refunds of employee contributions	(5,694,366)	(4,839,124)	(5,028,245)	(4,974,510)
Difference between expected and actual experience	1,291,594	172,786	(6,943,612)	(8,831,450)
Changes of benefit terms	-	-	-	(39,222,004)
Changes of assumptions	316,631	-	-	(2,916,511)
Net Change in Total OPEB Liability	751,360	126,933	(6,651,234)	(48,040,507)
Total OPEB Liability - Beginning of Year	67,853,437	67,726,504	74,377,738	122,418,245
Total OPEB Liability - End of Year (a)	68,604,797	67,853,437	67,726,504	74,377,738
Plan Fiduciary Net Position				
Contributions - employer	2,534,342	2,133,934	7,348,151	1,983,767
Net investment income	4,250,324	4,081,013	4,624,439	4,020,326
Benefit payments - including refunds of employee contributions	(5,694,366)	(4,839,124)	(5,028,245)	(4,974,510)
Administrative expense	(294,246)	(273,187)	(350,384)	-
Net difference between projected and actual earnings on Plan investments	8,387,034	1,957,157	(6,242,763)	-
Net Change in Plan Fiduciary Net Position	9,183,088	3,059,793	351,198	1,029,583
Plan Fiduciary Net Position - Beginning of Year	72,565,867	69,506,074	69,154,876	68,125,293
Plan Fiduciary Net Position - End of Year (b)	81,748,955	72,565,867	69,506,074	69,154,876
Net OPEB Liability (Asset) - End of Year ((a) - (b))	\$ (13,144,158)	\$ (4,712,430)	\$ (1,779,570)	\$ 5,222,862
Plan fiduciary net position as a percentage of the total OPEB liability	119.16%	106.95%	102.63%	92.98%
Covered-employee payroll	\$ 19,110,925	\$ 24,931,712	\$ 26,639,899	\$ 26,672,863
District's net OPEB liability (asset) as a percentage of covered-employee payroll	-68.78%	-18.90%	-6.68%	19.58%

See the accompanying notes to the required supplementary information.

Kern Community College District

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS

(Continued)

Years Ended June 30	2020*	2019	2018	2017
Total OPEB Liability				
Service cost	\$ 2,902,790	\$ 1,421,507	\$ 1,383,462	\$ 1,346,435
Interest	4,937,130	5,109,304	5,101,500	5,147,159
Benefit payments - including refunds of employee contributions	(5,330,228)	(7,711,134)	(6,687,968)	(7,895,232)
Difference between expected and actual experience	(2,322,345)	16,888,197	-	-
Changes of benefit terms	-	-	-	-
Changes of assumptions	2,305,283	16,743,497	-	-
Net Change in Total OPEB Liability	2,492,630	32,451,371	(203,006)	(1,401,638)
Total OPEB Liability - Beginning of Year	119,925,615	87,474,244	87,677,250	89,078,888
Total OPEB Liability - End of Year (a)	122,418,245	119,925,615	87,474,244	87,677,250
Plan Fiduciary Net Position				
Contributions - employer	1,856,633	-	1,298,477	-
Net investment income	3,942,100	3,984,165	4,058,277	2,514,945
Benefit payments - including refunds of employee contributions	(5,330,228)	(7,711,134)	(6,687,968)	(7,895,232)
Administrative expense	(231,101)	(239,036)	(253,487)	(540)
Net difference between projected and actual earnings on Plan investments	333,882	1,142,169	146,262	-
Other **	-	-	1,356,843	-
Net Change in Plan Fiduciary Net Position	571,286	(2,823,836)	(81,596)	(5,380,827)
Plan Fiduciary Net Position - Beginning of Year	67,554,007	70,377,843	70,459,439	75,840,266
Plan Fiduciary Net Position - End of Year (b)	68,125,293	67,554,007	70,377,843	70,459,439
Net OPEB Liability (Asset) - End of Year ((a) - (b))	\$ 54,292,952	\$ 52,371,608	\$ 17,096,401	\$ 17,217,811
Plan fiduciary net position as a percentage of the total OPEB liability	55.65%	56.33%	80.46%	80.36%
Covered-employee payroll	\$ 30,302,533	\$ 32,545,999	\$ 29,935,251	\$ 27,870,768
District's net OPEB liability (asset) as a percentage of covered-employee payroll	179.17%	160.92%	57.11%	61.78%

* Column represents 2020 audited Plan information. The District's financial statements included 2021 audit Plan information and 2019 audited Plan information for fiscal years ended June 30, 2021 and 2020, respectively.

** Actuarial correction of beginning fiduciary net position.

See the accompanying notes to the required supplementary information.

Kern Community College District
SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB

Years Ended June 30	2024	2023	2022	2021
Contractually required contribution	\$ 5,694,366	\$ 4,839,124	\$ 5,028,245	\$ 4,974,510
Contributions in relation to the contractually required contribution	(8,228,708)	(6,973,058)	(12,376,396)	(6,958,277)
Contribution Deficiency (Excess)	\$ (2,534,342)	\$ (2,133,934)	\$ (7,348,151)	\$ (1,983,767)
Covered-employee payroll	\$ 19,110,925	\$ 24,931,712	\$ 26,639,899	\$ 26,672,863
Contributions as a percentage of covered-employee payroll	29.80%	19.41%	18.87%	18.65%
Years Ended June 30	2020*	2019	2018	2017
Contractually required contribution	\$ 5,330,228	\$ 7,711,134	\$ 6,687,968	\$ 7,895,232
Contributions in relation to the contractually required contribution	(7,186,861)	(7,711,134)	(7,986,445)	(7,895,232)
Contribution Deficiency (Excess)	\$ (1,856,633)	\$ -	\$ (1,298,477)	\$ -
Covered-employee payroll	\$ 30,302,533	\$ 32,545,999	\$ 29,935,251	\$ 27,870,768
Contributions as a percentage of covered-employee payroll	17.59%	23.69%	22.34%	28.33%

* Column represents 2020 audited Plan information. The District's financial statements included 2021 audit Plan information and 2019 audited Plan information for fiscal years ended June 30, 2021 and 2020, respectively. See the accompanying notes to the required supplementary information.

Kern Community College District
SCHEDULE OF INVESTMENT RETURNS - OPEB

Years Ended June 30	2024	2023	2022	2021
Annual money-weighted rate of return - net of investment expense	11.83%	-2.27%	0.92%	9.96%
Years Ended June 30	2020*	2019	2018	2017
Annual money-weighted rate of return - net of investment expense	5.88%	6.04%	5.87%	2.62%

** Column represents 2020 audited Plan information. The District's financial statements included 2021 audit Plan information and 2019 audited Plan information for fiscal years ended June 30, 2021 and 2020, respectively. See the accompanying notes to the required supplementary information.*

Kern Community College District

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

Years Ended June 30	2024	2023	2022	2021	2020
District's proportion of the net pension liability (asset)	0.118%	0.113%	0.116%	0.117%	0.110%
District's proportionate share of the net pension liability (asset)	\$ 90,119,117	\$ 78,261,922	\$ 52,789,280	\$ 113,383,530	\$ 99,347,600
State's proportionate share of the net pension liability (asset) associated with the District	43,179,383	39,193,800	26,562,071	58,448,750	54,201,186
Total	\$ 133,298,500	\$ 117,455,722	\$ 79,351,351	\$ 171,832,280	\$ 153,548,786
District's covered-employee payroll	\$ 58,521,702	\$ 63,513,203	\$ 60,642,341	\$ 63,887,854	\$ 57,583,108
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	153.99%	123.22%	87.05%	177.47%	172.53%
Plan fiduciary net position as a percentage of the total pension liability	80.60%	81.20%	87.20%	71.80%	72.60%

Years Ended June 30	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.104%	0.096%	0.100%	0.093%	0.088%
District's proportionate share of the net pension liability (asset)	\$ 95,583,280	\$ 88,780,800	\$ 80,881,000	\$ 51,765,066	\$ 47,584,641
State's proportionate share of the net pension liability (asset) associated with the District	54,726,166	52,522,399	46,050,890	33,114,397	31,052,681
Total	\$ 150,309,446	\$ 141,303,199	\$ 126,931,890	\$ 84,879,463	\$ 78,637,322
District's covered-employee payroll	\$ 53,787,803	\$ 52,489,754	\$ 53,207,073	\$ 49,279,833	\$ 45,874,266
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	177.70%	169.14%	152.01%	105.04%	103.73%
Plan fiduciary net position as a percentage of the total pension liability	70.99%	69.00%	70.00%	74.00%	77.00%

See the accompanying notes to the required supplementary information.

Kern Community College District

SCHEDULE OF DISTRICT CONTRIBUTIONS – CALIFORNIA STATE TEACHERS’ RETIREMENT SYSTEM

Years Ended June 30	2024	2023	2022	2021	2020
Contractually required contribution	\$ 13,588,704	\$ 11,177,645	\$ 10,746,434	\$ 9,793,738	\$ 10,924,823
Contributions in relation to the contractually required contribution	(13,588,704)	(11,177,645)	(10,746,434)	(9,793,738)	(10,924,823)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 58,521,702	\$ 63,513,203	\$ 60,642,341	\$ 63,887,854	\$ 57,583,108
Contributions as a percentage of covered-employee payroll	23.22%	17.60%	17.72%	15.33%	18.97%

Years Ended June 30	2019	2018	2017	2016	2015
Contractually required contribution	\$ 9,374,530	\$ 7,761,580	\$ 6,603,211	\$ 5,248,922	\$ 4,093,690
Contributions in relation to the contractually required contribution	(9,374,530)	(7,761,580)	(6,603,211)	(5,248,922)	(4,093,690)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 53,787,803	\$ 52,489,754	\$ 53,207,073	\$ 49,279,833	\$ 45,874,266
Contributions as a percentage of covered-employee payroll	17.43%	14.79%	12.41%	10.65%	8.92%

See the accompanying notes to the required supplementary information.

Kern Community College District

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Years Ended June 30	2024	2023	2022	2021	2020
District's proportion of the net pension liability (asset)	0.2665%	0.2646%	0.2612%	0.2608%	0.2581%
District's proportionate share of the net pension liability (asset)	\$ 96,458,216	\$ 91,057,551	\$ 53,114,147	\$ 80,025,758	\$ 75,224,810
District's covered-employee payroll	\$ 36,670,970	\$ 36,309,136	\$ 32,725,444	\$ 33,740,809	\$ 32,079,443
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	263.04%	250.78%	162.30%	237.18%	234.50%
Plan fiduciary net position as a percentage of the total pension liability	70.00%	69.80%	81.00%	70.00%	70.00%

Years Ended June 30	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.2499%	0.2321%	0.2217%	0.2091%	0.2014%
District's proportionate share of the net pension liability (asset)	\$ 66,639,206	\$ 55,408,396	\$ 43,785,887	\$ 29,375,367	\$ 22,463,999
District's covered-employee payroll	\$ 28,999,884	\$ 29,596,997	\$ 29,610,250	\$ 26,528,654	\$ 23,164,222
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	229.79%	187.21%	147.87%	110.73%	96.98%
Plan fiduciary net position as a percentage of the total pension liability	70.85%	71.90%	73.90%	79.40%	83.50%

See the accompanying notes to the required supplementary information.

Kern Community College District

SCHEDULE OF DISTRICT CONTRIBUTIONS – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM

Years Ended June 30	2024	2023	2022	2021	2020
Contractually required contribution	\$ 12,572,310	\$ 9,303,425	\$ 8,318,423	\$ 6,774,167	\$ 6,654,025
Contributions in relation to the contractually required contribution	(12,572,310)	(9,303,425)	(8,318,423)	(6,774,167)	(6,654,025)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 36,670,970	\$ 36,309,136	\$ 32,725,444	\$ 33,740,809	\$ 32,079,443
Contributions as a percentage of covered-employee payroll	34.28%	25.62%	25.42%	20.08%	20.74%

Years Ended June 30	2019	2018	2017	2016	2015
Contractually required contribution	\$ 5,794,189	\$ 4,503,972	\$ 4,110,341	\$ 3,156,486	\$ 2,725,027
Contributions in relation to the contractually required contribution	(5,794,189)	(4,503,972)	(4,110,341)	(3,156,486)	(2,725,027)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 28,999,884	\$ 29,596,997	\$ 29,610,250	\$ 26,528,654	\$ 23,164,222
Contributions as a percentage of covered-employee payroll	19.98%	15.22%	13.88%	11.90%	11.76%

See the accompanying notes to the required supplementary information.

1. SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY (ASSET) AND RELATED RATIOS

Changes in Benefit Terms

There were no significant changes of benefit terms during the measurement period ended June 30, 2024.

Changes in Assumptions

There were no significant changes of assumptions during the measurement period ended June 30, 2024.

2. CHANGES OF BENEFIT TERMS

California State Teachers' Retirement System

There were no significant changes of benefit terms during the measurement period ended June 30, 2023.

California Public Employees' Retirement System

There were no significant changes of benefit terms during the measurement period ended June 30, 2023.

3. CHANGES OF ASSUMPTIONS

California State Teachers' Retirement System

There were no significant changes in assumptions during the measurement period ended June 30, 2023.

California Public Employees' Retirement System

There were no significant changes in assumptions during the measurement period ended June 30, 2023.

OTHER SUPPLEMENTARY INFORMATION SECTION

Kern Community College District
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL
APPORTIONMENT ANNUAL ATTENDANCE
June 30, 2024

The full-time equivalent resident students (FTES) eligible for 2023-24 state apportionment reported to the state of California are summarized below:

	Reported Data	Audit	Revised Data
		Adjustments	
Summer Intersession (Summer 2023 Only)			
Noncredit	49.27	-	49.27
Credit	3,024.69	-	3,024.69
Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
Noncredit	30.97	-	30.97
Credit	274.05	-	274.05
Primary Terms (Exclusive of Summer Intersession)			
Census Procedure Courses:			
Weekly Census Contact Hours	9,851.78	-	9,851.78
Daily Census Contact Hours	1,255.55	-	1,255.55
Actual Hours of Attendance Procedure Courses:			
Noncredit	170.26	-	170.26
Credit	2,820.58	-	2,820.58
Alternative Attendance Accounting Procedure:			
Weekly Census Contact Hours	6,376.58	-	6,376.58
Daily Census Contact Hours	2,918.24	-	2,918.24
Noncredit Independent Study/Distance Education Courses	27.96	-	27.96
Total FTES	26,799.93	-	26,799.93
Subtotal Credit FTES	26,521.47	-	26,521.47
Subtotal Noncredit FTES	278.46	-	278.46
SUPPLEMENTARY INFORMATION (Subset of Above Information)			
IN-SERVICE TRAINING COURSES (FTES)	500.66	-	500.66
Basic Skills Courses and Immigrant Education			
Noncredit	164.51	-	164.51
Credit	65.34	-	65.34

See the accompanying notes to the other supplementary information.

Kern Community College District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass Through/ Grantor Number	Federal Assistance Listing Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
NRCS - MESA Scholarship	NR239104XXXXC012	10.902	\$ 21,738
Passed Through California Department of Education			
Child and Adult Care Food Program	04352-CACFP-15-1242-6A	10.558	90,010
Schools and Roads		10.666	59,728
Total Passed Through California Department of Education			149,738
Passed Through California State University, Chico			
CalFresh Program	A22-0055-S033	10.561	31,427
TOTAL U.S. DEPARTMENT OF AGRICULTURE			202,903
U.S. DEPARTMENT OF COMMERCE			
Passed Through Butte-Glen CCD			
California Careers Forestry Subaward	00006888	11.307	31,440
U.S. DEPARTMENT OF THE INTERIOR			
Minerals Leasing Act		15.214	484,550
U.S. DEPARTMENT OF LABOR			
WIA Adult Programs	4872125 / PA2706	17.258	206,119
Job Corps Experimental Projects and Technical Assistance	JC34690-20-60-O-6	17.287	111,646
TOTAL U.S. DEPARTMENT OF LABOR			317,765
U.S. DEPARTMENT OF TRANSPORTATION			
Highway Training and Education	693JJ32445101, 02, 03, 04, 48, 49, 50	20.215	35,000
U.S. DEPARTMENT OF THE TREASURY			
Passed Through City of Bakersfield			
Entrepreneurship & Small Business Assistance	2023-066	21.027	85,782
Passed Through Chancellor's Office			
COVID-19 Coronavirus State and Local Fiscal Recovery		21.027	4,021,588
TOTAL U.S. DEPARTMENT OF THE TREASURY			4,107,370
Balance Forward			\$ 5,179,028

See the accompanying notes to the other supplementary information.

Kern Community College District
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2024
 (Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass Through/ Grantor Number	Federal Assistance Listing Number	Federal Expenditures
Balance Brought Forward			\$ 5,179,028
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
Office of STEM Engagement		43.008	1,037
NATIONAL SCIENCE FOUNDATION			
Improving Undergraduate STEM Education	2150520	47.076	183,920
Passed Through Iowa State University			
National Alliance for Inclusive and Diverse STEM Faculty (NAIDSF)	019533E	47.076	8,366
TOTAL NATIONAL SCIENCE FOUNDATION			192,286
U.S. DEPARTMENT OF VETERANS AFFAIRS			
Vocational Rehabilitation for Disabled Veterans		64.116	6,512
U.S. DEPARTMENT OF ENERGY			
Zero Emission Vehicle Talent Pipeline	DE-EE0010627	81.086	16,899
Solar Homes & Careers for Justice	DE-EE0010825	81.117	13,623
Central California Industrial Assessment Center (IAC)	DE-MS0000047	81.117	5,336
TOTAL U.S. DEPARTMENT OF ENERGY			35,858
U.S. DEPARTMENT OF EDUCATION			
Student Financial Assistance Cluster			
Federal Work-Study Program	P033A230237, P033A230314, P033A230543	84.033	1,230,984
Federal Pell Grant Program	P063P231095, P063P238570, P063P235237	84.063	61,528,955
Federal Supplemental Education Opportunity Grant	P007A230237, P007A230314, P007A230543	84.007	1,151,917
Federal Direct Student Loans	P268K241095, P268K248570, P268K245237	84.268	2,856,212
Total Student Financial Assistance Cluster			66,768,068
COVID-19 CARES Act HEERF - Student Aid	P425E204038, P425E204303, P425E204668	84.425E	43,515
COVID-19 CARES Act HEERF - Minority Serving Institutions	P425L200409, P425L200639, P425L200676	84.425L	68,040
COVID-19 CARES Act HEERF - Institutional Portion	P425F204975, P425F204989, P425F205033	84.425F	6,369,340
COVID-19 CARES Act HEERF - Supplemental		84.425S	715,252
Total CARES Act Higher Education Emergency Relief Fund (HEERF)			7,196,147
Balance Forward			\$ 79,378,936

See the accompanying notes to the other supplementary information.

Kern Community College District
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024
(Continued)

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass Through/ Grantor Number	Federal Assistance Listing Number	Federal Expenditures
Balance Brought Forward			\$ 79,378,936
Early College	P031S220017	84.031S	509,355
Title V - Higher Education Institutional Aid	P031S200174-21, P031S170017, P031S200059		869,466
TRIO Student Support Services	PO42A201285-22	84.042	315,391
STEP-UP to STEM	P031C210052-23	84.031C	1,069,599
GEAR-UP	P334A210181-23	84.334A	349,786
Excel Veteran's	P116G200083	84.116G	211,461
Child Care Access Means Parents in School	P335A190342	84.335	460,979
Passed Through Chancellor's Office			
Perkins IC - VTEA	21-C01-520	84.048	1,691,531
Perkins Reserve	G0238	84.048	13,898
Passed Through California Department of Rehabilitation			
Project Workability Bakersfield	5160-31781	84.243	155,020
TOTAL U.S. DEPARTMENT OF EDUCATION			79,610,701
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through California Department of Education			
General Center - Child Care	CCTR-3066	93.596	327,597
HeadStart	09HP0036/01	93.600	344,946
Total Passed Through California Department of Education			672,543
Passed Through Chancellor's Office			
Temporary assistance for needy families		93.558	84,333
Child, Family, and Community Services - Foster Care - Title IV-E		93.658	91,562
Total Passed Through the Chancellor's Office			175,895
Passed Through California State University, Long Beach			
Public Health Informatics & Technology Workforce Development	SG256021100KCCCD	93.355	351,292
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			1,199,730
Total Expenditures of Federal Awards			\$ 86,225,152

See the accompanying notes to the other supplementary information.

Kern Community College District
SCHEDULE OF STATE FINANCIAL AWARDS
Year Ended June 30, 2024

	Program Revenues			Total	Total Program Expenditures
	Cash Received	Accounts Receivable	Deferred Revenue		
Adult Education Block Grant	\$ 1,603,930	\$ -	\$ 460,644	\$ 2,064,574	\$ 2,064,574
Board Financial Assistance Program	1,484,399	2,045	7,964	1,494,408	1,494,408
California College Promise	672,857	-	923,848	1,596,705	1,596,705
CA Completion Grant	10,582,357	-	1,640,165	12,222,522	12,222,522
CalGrants	9,179,137	261,954	18,776	9,459,867	9,459,867
CalWORKS	896,659	-	(189,342)	707,317	707,317
Cooperating Agencies Foster Youth Educational Support	798,065	-	(6,742)	791,323	791,323
California Renewable Energy Center	-	-	3,396,870	3,396,870	3,396,870
COVID Recovery Block Grant	-	-	12,783,724	12,783,724	12,783,724
Project Care	1,085,267	-	(43,833)	1,041,434	1,041,434
Disabled Student Programs and Services	1,811,490	(102,210)	(518,521)	1,190,759	1,190,759
Extended Opportunity Programs and Services	3,560,276	-	(476,224)	3,084,052	3,084,052
Hunger Free Campus	-	-	2,253	2,253	2,253
LGBTQ+ Support	161,121	-	(161,121)	-	-
Regional Consortium	49,905,154	22,737,007	(45,110,926)	27,531,235	27,531,235
Student Equity and Achievement	11,359,500	(125,364)	(1,273,940)	9,960,196	9,960,196
Strong Workforce Program	-	2,151,384	7,017,449	9,168,833	9,168,833
Undocumented Resources Liaisons	290,570	-	113,806	404,376	404,376
Veteran's Resource Ctr	206,256	(29,883)	(2,200)	174,173	174,173
Subtotal	93,597,038	24,894,933	(21,417,350)	97,074,621	97,074,621
Other State Grants	741,598	14,859,562	6,472,582	22,073,742	22,073,742
All other categorical	12,443,739	(8,547)	(11,479,900)	955,292	955,292
Total State Programs	\$ 106,782,375	\$ 39,745,948	\$ (26,424,668)	\$ 120,103,655	\$ 120,103,655

See the accompanying notes to the other supplementary information.

Kern Community College District

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)

WITH AUDITED FINANCIAL STATEMENTS

June 30, 2024

	General Fund	Bond Interest and Redemption Fund	Other Debt Service Fund	Child Development Fund	Balance Forward
June 30, 2024 - Annual Financial and Budget Report (CCFS-311) Fund Balance	\$ 189,452,843	\$ 71,565,082	\$ 18,683,993	\$ -	\$ 279,701,918
Adjustment and reclassifications increasing (decreasing) the fund balance:					
District adjustments	-	-	-	-	-
Reclassification of amounts held for others	-	-	-	-	-
Rounding	-	-	-	-	-
Net Adjustments and Reclassifications	-	-	-	-	-
June 30, 2024 - District Accounting Records Fund Balance	\$ 189,452,843	\$ 71,565,082	\$ 18,683,993	\$ -	\$ 279,701,918

	Balance Brought Forward	Other Special Revenue Fund	Capital Outlay Projects Fund	Bookstore Fund	Balance Forward
June 30, 2024 - Annual Financial and Budget Report (CCFS-311) Fund Balance	\$ 279,701,918	\$ -	\$ 269,562,209	\$ -	\$ 549,264,127
Adjustment and reclassifications increasing (decreasing) the fund balance:					
District adjustments	-	-	-	-	-
Reclassification of amounts held for others	-	-	-	-	-
Rounding	-	-	-	-	-
Net Adjustments and Reclassifications	-	-	-	-	-
June 30, 2024 - District Accounting Records Fund Balance	\$ 279,701,918	\$ -	\$ 269,562,209	\$ -	\$ 549,264,127

See the accompanying notes to the other supplementary information.

Kern Community College District

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)

WITH AUDITED FINANCIAL STATEMENTS

June 30, 2024

(Continued)

	Balance Brought Forward	Cafeteria Fund	Associated Students Trust Fund	Student Representation Fee Trust Fund	Balance Forward
June 30, 2024 - Annual Financial and Budget Report (CCFS-311) Fund Balance	\$ 549,264,127	\$ (696,065)	\$ 994,531	\$ 153,675	\$ 549,716,268
Adjustment and reclassifications increasing (decreasing) the fund balance:					
District adjustments	-	-	-	-	-
Reclassification of amounts held for others	-	-	-	-	-
Rounding	-	-	-	-	-
Net Adjustments and Reclassifications	-	-	-	-	-
June 30, 2024 - District Accounting Records Fund Balance	\$ 549,264,127	\$ (696,065)	\$ 994,531	\$ 153,675	\$ 549,716,268

	Balance Brought Forward	Student Body Center Fee Trust Fund	Student Financial Aid Fund	Other Trust Fund	Total
June 30, 2024 - Annual Financial and Budget Report (CCFS-311) Fund Balance	\$ 549,716,268	\$ 520,007	\$ -	\$ 82,322	\$ 550,318,597
Adjustment and reclassifications increasing (decreasing) the fund balance:					
District adjustments	-	-	-	-	-
Reclassification of amounts held for others	-	-	-	-	-
Rounding	-	-	-	-	-
Net Adjustments and Reclassifications	-	-	-	-	-
June 30, 2024 - District Accounting Records Fund Balance	\$ 549,716,268	\$ 520,007	\$ -	\$ 82,322	\$ 550,318,597

See the accompanying notes to the other supplementary information.

Kern Community College District
RECONCILIATION OF 50% LAW CALCULATION
June 30, 2024

	Object Codes	Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 and AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
ACADEMIC SALARIES							
Instructional Salaries							
Contract or regular	1100	\$ 46,857,018	\$ -	\$ 46,857,018	\$ 46,858,818	\$ -	\$ 46,858,818
Other	1300	17,908,922	-	17,908,922	17,933,092	-	17,933,092
Total Instructional Salaries		64,765,940	-	64,765,940	64,791,910	-	64,791,910
Noninstructional Salaries							
Contract or regular	1200	-	-	-	14,365,046	-	14,365,046
Other	1400	-	-	-	1,593,830	-	1,593,830
Total Noninstructional Salaries		-	-	-	15,958,876	-	15,958,876
TOTAL ACADEMIC SALARIES		64,765,940	-	64,765,940	80,750,786	-	80,750,786
CLASSIFIED SALARIES							
Noninstructional Salaries							
Regular status	2100	-	-	-	28,575,936	-	28,575,936
Other	2300	-	-	-	1,290,687	-	1,290,687
Total Noninstructional Salaries		-	-	-	29,866,623	-	29,866,623
Instructional Aides							
Regular status	2200	851,873	-	851,873	851,873	-	851,873
Other	2400	3,465,493	-	3,465,493	3,465,493	-	3,465,493
Total Instructional Aides		4,317,366	-	4,317,366	4,317,366	-	4,317,366
TOTAL CLASSIFIED SALARIES		4,317,366	-	4,317,366	34,183,989	-	34,183,989
Other							
Employee benefits	3000	28,720,595	-	28,720,595	56,546,851	-	56,546,851
Supplies and materials	4000	-	-	-	1,951,508	-	1,951,508
Other operating expenses	5000	2,618,827	-	2,618,827	30,585,065	-	30,585,065
Equipment replacement	6420	-	-	-	-	-	-
Total Other		31,339,422	-	31,339,422	89,083,424	-	89,083,424
Total Expenditures Prior to Exclusions		\$ 100,422,728	\$ -	\$ 100,422,728	\$ 204,018,199	\$ -	\$ 204,018,199

See the accompanying notes to the other supplementary information.

Kern Community College District
RECONCILIATION OF 50% LAW CALCULATION
 June 30, 2024
 (Continued)

	Object Codes	Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 and AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
EXCLUSIONS							
Activities to Exclude							
Instructional Staff-Retirees' Benefits and Retirement Incentives	5900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	35,560	-	35,560
Noninstructional Staff Retirees' Benefits and Retirement Incentives	6740	-	-	-	-	-	-
Total Instructional Salaries		-	-	-	35,560	-	35,560
Objects to Exclude							
Rents and leases	5060	-	-	-	3,582,085	-	3,582,085
Lottery expenditures:							
Academic salaries	1000	-	-	-	-	-	-
Classified salaries	2000	-	-	-	-	-	-
Employee benefits	3000	-	-	-	-	-	-
Subtotal		-	-	-	3,582,085	-	3,582,085
Supplies and materials:	4000						
Software	4100	-	-	-	-	-	-
Books, magazines, and periodicals	4200	-	-	-	-	-	-
Instructional supplies and materials	4300	-	-	-	-	-	-
Noninstructional supplies and materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other operating expenses and services	5000	-	-	-	4,079,586	-	4,079,586
Capital outlay	6000	-	-	-	-	-	-
Library books	6300	-	-	-	-	-	-
Subtotal		-	-	-	4,079,586	-	4,079,586
Equipment	6400	-	-	-	-	-	-
Equipment - additional	6410	-	-	-	-	-	-
Equipment - replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other outgo	7000	-	-	-	-	-	-
TOTAL EXCLUSIONS		-	-	-	7,697,231	-	7,697,231
Total for ECS 84362 - 50% Law		\$ 100,422,728	\$ -	\$ 100,422,728	\$ 196,320,968	\$ -	\$ 196,320,968
Percentage of CEE (Instructional Salary Cost/Total CEE)		51.15%	0.00%	51.15%			
50% of Current Expense of Education					\$ 98,160,480	\$ -	\$ 98,160,480

See the accompanying notes to the other supplementary information.

Kern Community College District
 RECONCILIATION OF EDUCATION PROTECTION
 ACCOUNT EXPENDITURES
 June 30, 2024

	Object Code	Salaries and Benefits (1000-3000)	Operating Expenses (4000-5000)	Capital Outlay (6000)	Total
EPA Proceeds	8630			\$ 20,815,877	
Activity Classification					
Instructional activities	0100-5900	\$ 20,815,877	\$ -	\$ -	20,815,877
Total Expenditures for EPA		\$ -	\$ -	\$ -	20,815,877
Total Revenue Less Expenditures				\$ -	-

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING BALANCE SHEET – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY

June 30, 2024	General Fund	Bond Interest and Redemption Fund	Other Debt Service Fund	Child Development Fund	Balance Forward
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 371,342,237	\$ -	\$ (1,479,410)	\$ 940,479	\$ 370,803,306
Restricted cash and cash equivalents - current	-	-	-	-	-
Accounts receivable - net	68,014,210	632,324	179,774	1,320,635	70,146,943
Prepaid expenses	14,940,781	-	-	2,240	14,943,021
Inventories	-	-	-	-	-
Due from other funds	6,592,925	2	73,533	-	6,666,460
Total Current Assets	460,890,153	632,326	(1,226,103)	2,263,354	462,559,730
Noncurrent Assets					
Restricted cash and cash equivalents - noncurrent	-	70,932,756	-	-	70,932,756
Restricted investments	-	-	26,502,644	-	26,502,644
Capital assets - net	-	-	-	-	-
Total Noncurrent Assets	-	70,932,756	26,502,644	-	97,435,400
TOTAL ASSETS	\$ 460,890,153	\$ 71,565,082	\$ 25,276,541	\$ 2,263,354	\$ 559,995,130
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 42,099,856	\$ -	\$ -	\$ 1,152,980	\$ 43,252,836
Advances from grantors and students	229,263,922	-	-	1,110,374	230,374,296
Due to other funds	73,532	-	6,592,548	-	6,666,080
Amounts held in trust for others	-	-	-	-	-
Total Liabilities	271,437,310	-	6,592,548	2,263,354	280,293,212
Fund Equity					
Fund balances:					
Reserved for debt service	-	71,565,082	18,683,993	-	90,249,075
Reserved for special purposes	-	-	-	-	-
Unreserved:					
Undesignated	189,452,843	-	-	-	189,452,843
Total Fund Equity	189,452,843	71,565,082	18,683,993	-	279,701,918
TOTAL LIABILITIES AND FUND EQUITY	\$ 460,890,153	\$ 71,565,082	\$ 25,276,541	\$ 2,263,354	\$ 559,995,130

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING BALANCE SHEET – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

June 30, 2024	Balance Brought Forward	Other Special Revenue Fund	Capital Outlay Projects Fund	Bookstore Fund	Balance Forward
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 370,803,306	\$ -	\$ 281,128,519	\$ -	\$ 651,931,825
Restricted cash and cash equivalents - current	-	-	-	-	-
Accounts receivable - net	70,146,943	-	1,795,200	-	71,942,143
Prepaid expenses	14,943,021	-	13,334	-	14,956,355
Inventories	-	-	-	-	-
Due from other funds	6,666,460	-	-	-	6,666,460
Total Current Assets	462,559,730	-	282,937,053	-	745,496,783
Noncurrent Assets					
Restricted cash and cash equivalents - noncurrent	70,932,756	-	-	-	70,932,756
Restricted investments	26,502,644	-	-	-	26,502,644
Capital assets - net	-	-	-	-	-
Total Noncurrent Assets	97,435,400	-	-	-	97,435,400
TOTAL ASSETS	\$ 559,995,130	\$ -	\$ 282,937,053	\$ -	\$ 842,932,183
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 43,252,836	\$ -	\$ 13,374,465	\$ -	\$ 56,627,301
Advances from grantors and students	230,374,296	-	-	-	230,374,296
Due to other funds	6,666,080	-	379	-	6,666,459
Amounts held in trust for others	-	-	-	-	-
Total Liabilities	280,293,212	-	13,374,844	-	293,668,056
Fund Equity					
Fund balances:					
Reserved for debt service	90,249,075	-	-	-	90,249,075
Reserved for special purposes	-	-	269,562,209	-	269,562,209
Unreserved:					
Undesignated	189,452,843	-	-	-	189,452,843
Total Fund Equity	279,701,918	-	269,562,209	-	549,264,127
TOTAL LIABILITIES AND FUND EQUITY	\$ 559,995,130	\$ -	\$ 282,937,053	\$ -	\$ 842,932,183

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING BALANCE SHEET – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

June 30, 2024	Balance Brought Forward	Cafeteria Fund	Associated Students Trust Fund	Student Representation Fee Trust Fund	Balance Forward
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 651,931,825	\$ -	\$ 110,260	\$ -	\$ 652,042,085
Restricted cash and cash equivalents - current	-	-	1,020,632	156,997	1,177,629
Accounts receivable - net	71,942,143	(603,694)	66,266	-	71,404,715
Prepaid expenses	14,956,355	1,055	-	-	14,957,410
Inventories	-	73,482	-	-	73,482
Due from other funds	6,666,460	1,400	-	-	6,667,860
Total Current Assets	745,496,783	(527,757)	1,197,158	156,997	746,323,181
Noncurrent Assets					
Restricted cash and cash equivalents - noncurrent	70,932,756	-	-	-	70,932,756
Restricted investments	26,502,644	-	-	-	26,502,644
Capital assets - net	-	-	-	-	-
Total Noncurrent Assets	97,435,400	-	-	-	97,435,400
TOTAL ASSETS	\$ 842,932,183	\$ (527,757)	\$ 1,197,158	\$ 156,997	\$ 843,758,581
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 56,627,301	\$ 162,718	\$ 180,217	\$ 3,171	\$ 56,973,407
Advances from grantors and students	230,374,296	5,590	22,410	151	230,402,447
Due to other funds	6,666,459	-	-	-	6,666,459
Amounts held in trust for others	-	-	-	-	-
Total Liabilities	293,668,056	168,308	202,627	3,322	294,042,313
Fund Equity					
Fund balances:					
Reserved for debt service	90,249,075	-	-	-	90,249,075
Reserved for special purposes	269,562,209	(696,065)	994,531	153,675	270,014,350
Unreserved:					
Undesignated	189,452,843	-	-	-	189,452,843
Total Fund Equity	549,264,127	(696,065)	994,531	153,675	549,716,268
TOTAL LIABILITIES AND FUND EQUITY	\$ 842,932,183	\$ (527,757)	\$ 1,197,158	\$ 156,997	\$ 843,758,581

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING BALANCE SHEET – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

June 30, 2024	Balance Brought Forward	Student Body Center Fee Trust Fund	Student Financial Aid Fund	Other Trust Fund	Total
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 652,042,085	\$ -	\$ 523,605	\$ 2,856,469	\$ 655,422,159
Restricted cash and cash equivalents - current	1,177,629	525,887	-	-	1,703,516
Accounts receivable - net	71,404,715	-	314,578	1,159,361	72,878,654
Prepaid expenses	14,957,410	-	-	4,865	14,962,275
Inventories	73,482	-	-	-	73,482
Due from other funds	6,667,860	-	-	-	6,667,860
Total Current Assets	746,323,181	525,887	838,183	4,020,695	751,707,946
Noncurrent Assets					
Restricted cash and cash equivalents - noncurrent	70,932,756	-	-	-	70,932,756
Restricted investments	26,502,644	-	-	-	26,502,644
Capital assets - net	-	-	-	-	-
Total Noncurrent Assets	97,435,400	-	-	-	97,435,400
TOTAL ASSETS	\$ 843,758,581	\$ 525,887	\$ 838,183	\$ 4,020,695	\$ 849,143,346
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 56,973,407	\$ -	\$ 6,333	\$ 18,217	\$ 56,997,957
Advances from grantors and students	230,402,447	5,880	831,850	3,920,156	235,160,333
Due to other funds	6,666,459	-	-	-	6,666,459
Amounts held in trust for others	-	-	-	-	-
Total Liabilities	294,042,313	5,880	838,183	3,938,373	298,824,749
Fund Equity					
Fund balances:					
Reserved for debt service	90,249,075	-	-	-	90,249,075
Reserved for special purposes	270,014,350	520,007	-	82,322	270,616,679
Unreserved:					
Undesignated	189,452,843	-	-	-	189,452,843
Total Fund Equity	549,716,268	520,007	-	82,322	550,318,597
TOTAL LIABILITIES AND FUND EQUITY	\$ 843,758,581	\$ 525,887	\$ 838,183	\$ 4,020,695	\$ 849,143,346

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND EQUITY – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY

Year Ended June 30, 2024	General Fund	Bond Interest and Redemption Fund	Other Debt Service Fund	Child Development Fund	Balance Forward
Operating Revenues					
Tuition and fees	\$ 35,141,442	\$ -	\$ -	\$ -	\$ 35,141,442
Less: Scholarship discount and allowance	25,568,754	-	-	-	25,568,754
Net Tuition and Fees	9,572,688	-	-	-	9,572,688
Grants and contracts - noncapital:					
Federal	15,219,293	-	-	1,223,532	16,442,825
State	102,889,762	-	-	2,210,452	105,100,214
Local	1,285,619	-	-	(146)	1,285,473
Auxiliary enterprise sales and charges	5,688	-	-	-	5,688
Other operating revenues	133,648	-	-	799	134,447
Total Operating Revenues	129,106,698	-	-	3,434,637	132,541,335
Operating Expenditures/Expenses					
Salaries	148,627,541	-	-	1,939,139	150,566,680
Employee benefits	71,845,619	-	-	1,245,598	73,091,217
Supplies, materials, and other operating expenditures	82,220,439	102,645	2,639,408	289,423	85,251,915
Capital outlay	16,935,610	-	-	36,060	16,971,670
Utilities	6,676,712	-	-	57,577	6,734,289
Depreciation	-	-	-	-	-
Payments to students	215,280	-	-	-	215,280
Total Operating Expenditures/Expenses	326,521,201	102,645	2,639,408	3,567,797	332,831,051
Operating Income (Loss)	(197,414,503)	(102,645)	(2,639,408)	(133,160)	(200,289,716)
Nonoperating Revenues (Expenditures)					
State apportionments - noncapital	119,653,745	-	-	-	119,653,745
Education protection account revenues	20,815,877	-	-	-	20,815,877
Local property taxes - noncapital	75,381,210	30,216	-	-	75,411,426
State taxes and other revenues - noncapital	10,120,465	-	-	-	10,120,465
Investment income - noncapital	14,023,270	-	-	-	14,023,270
Financial aid revenues - federal	-	-	-	-	-
Financial aid revenues - state	-	-	-	-	-
Financial aid disbursements	(5,663,903)	-	-	-	(5,663,903)
Other nonoperating revenues/expenditures	564,263	2,633,831	-	-	3,198,094
Total Nonoperating Revenues (Expenditures)	234,894,927	2,664,047	-	-	237,558,974
Income (Loss) Before Other Revenues and Expenditures/Expenses	37,480,424	2,561,402	(2,639,408)	(133,160)	37,269,258
Other Revenues and Expenditures					
Local property taxes and revenues - capital	-	44,979,879	-	-	44,979,879
Investment income - capital	-	2,036,106	1,167,094	-	3,203,200
Excess of Revenues Over (Under) Expenditures/Expenses	37,480,424	49,577,387	(1,472,314)	(133,160)	85,452,337
Other Financing Sources (Uses)					
Operating transfers in	2,084,335	72,700,803	521,393	9,529	75,316,060
Operating transfers out	(19,033,991)	-	-	-	(19,033,991)
Debt service	(6,075,162)	(114,413,354)	-	-	(120,488,516)
Total Other Financing Sources (Uses)	(23,024,818)	(41,712,551)	521,393	9,529	(64,206,447)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses	14,455,606	7,864,836	(950,921)	(123,631)	21,245,890
Fund Equity - Beginning of Year	174,997,237	63,700,246	19,634,914	123,631	258,456,028
Fund Equity - End of Year	\$ 189,452,843	\$ 71,565,082	\$ 18,683,993	\$ -	\$ 279,701,918

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND EQUITY – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

Year Ended June 30, 2024	Balance Brought Forward	Other Special Revenue Fund	Capital Outlay Projects Fund	Bookstore Fund	Balance Forward
Operating Revenues					
Tuition and fees	\$ 35,141,442	\$ -	\$ (168)	\$ -	\$ 35,141,274
Less: Scholarship discount and allowance	25,568,754	-	-	-	25,568,754
Net Tuition and Fees	9,572,688	-	(168)	-	9,572,520
Grants and contracts - noncapital:					
Federal	16,442,825	-	-	-	16,442,825
State	105,100,214	-	116,071	-	105,216,285
Local	1,285,473	-	-	-	1,285,473
Auxiliary enterprise sales and charges	5,688	-	-	-	5,688
Other operating revenues	134,447	-	-	-	134,447
Total Operating Revenues	132,541,335	-	115,903	-	132,657,238
Operating Expenditures/Expenses					
Salaries	150,566,680	-	957,350	-	151,524,030
Employee benefits	73,091,217	-	509,342	-	73,600,559
Supplies, materials, and other operating expenditures	85,251,915	-	12,247,815	-	97,499,730
Capital outlay	16,971,670	-	69,791,089	-	86,762,759
Utilities	6,734,289	-	63,105	-	6,797,394
Depreciation	-	-	-	-	-
Payments to students	215,280	-	-	-	215,280
Total Operating Expenditures/Expenses	332,831,051	-	83,568,701	-	416,399,752
Operating Income (Loss)	(200,289,716)	-	(83,452,798)	-	(283,742,514)
Nonoperating Revenues (Expenditures)					
State apportionments - noncapital	119,653,745	-	-	-	119,653,745
Education protection account revenues	20,815,877	-	-	-	20,815,877
Local property taxes - noncapital	75,411,426	-	-	-	75,411,426
State taxes and other revenues - noncapital	10,120,465	-	-	-	10,120,465
Investment income - noncapital	14,023,270	-	-	-	14,023,270
Financial aid revenues - federal	-	-	-	-	-
Financial aid revenues - state	-	-	-	-	-
Financial aid disbursements	(5,663,903)	-	-	-	(5,663,903)
Other nonoperating revenues/expenditures	3,198,094	-	-	-	3,198,094
Total Nonoperating Revenues (Expenditures)	237,558,974	-	-	-	237,558,974
Income (Loss) Before Other Revenues and Expenditures/Expenses	37,269,258	-	(83,452,798)	-	(46,183,540)
Other Revenues and Expenditures					
Local property taxes and revenues - capital	44,979,879	-	461,493	-	45,441,372
Investment income - capital	3,203,200	-	7,410,119	-	10,613,319
Excess of Revenues Over (Under) Expenditures/Expenses	85,452,337	-	(75,581,186)	-	9,871,151
Other Financing Sources (Uses)					
Bond proceeds	-	-	147,067,621	-	147,067,621
Cost of bond issuance	-	-	-	-	-
Operating transfers in	75,316,060	-	46,107,731	-	121,423,791
Operating transfers out	(19,033,991)	-	(102,523,040)	-	(121,557,031)
Debt service	(120,488,516)	-	-	-	(120,488,516)
Total Other Financing Sources (Uses)	(64,206,447)	-	90,652,312	-	26,445,865
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses	21,245,890	-	15,071,126	-	36,317,016
Fund Equity - Beginning of Year	258,456,028	-	254,491,083	-	512,947,111
Fund Equity - End of Year	\$ 279,701,918	\$ -	\$ 269,562,209	\$ -	\$ 549,264,127

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND EQUITY – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

Year Ended June 30, 2024	Balance Brought Forward	Cafeteria Fund	Associated Students Trust Fund	Student Representation Fee Trust Fund	Balance Forward
Operating Revenues					
Tuition and fees	\$ 35,141,274	\$ -	\$ 520,550	\$ 29,388	\$ 35,691,212
Less: Scholarship discount and allowance	25,568,754	-	-	-	25,568,754
Net Tuition and Fees	9,572,520	-	520,550	29,388	10,122,458
Grants and contracts - noncapital:					
Federal	16,442,825	-	-	-	16,442,825
State	105,216,285	-	-	-	105,216,285
Local	1,285,473	-	(90)	-	1,285,383
Auxiliary enterprise sales and charges	5,688	2,053,138	-	-	2,058,826
Other operating revenues	134,447	-	-	-	134,447
Total Operating Revenues	132,657,238	2,053,138	520,460	29,388	135,260,224
Operating Expenditures/Expenses					
Salaries	151,524,030	1,080,987	119,566	-	152,724,583
Employee benefits	73,600,559	641,017	24,743	-	74,266,319
Supplies, materials, and other operating expenditures	97,499,730	1,514,430	221,165	34,796	99,270,121
Capital outlay	86,762,759	72,909	15,572	-	86,851,240
Utilities	6,797,394	72,182	50	-	6,869,626
Depreciation	-	-	-	-	-
Payments to students	215,280	-	-	-	215,280
Total Operating Expenditures/Expenses	416,399,752	3,381,525	381,096	34,796	420,197,169
Operating Income (Loss)	(283,742,514)	(1,328,387)	139,364	(5,408)	(284,936,945)
Nonoperating Revenues (Expenditures)					
State apportionments - noncapital	119,653,745	-	-	-	119,653,745
Education protection account revenues	20,815,877	-	-	-	20,815,877
Local property taxes - noncapital	75,411,426	-	-	-	75,411,426
State taxes and other revenues - noncapital	10,120,465	-	-	-	10,120,465
Investment income - noncapital	14,023,270	-	-	-	14,023,270
Financial aid revenues - federal	-	-	-	-	-
Financial aid revenues - state	-	-	-	-	-
Financial aid disbursements	(5,663,903)	-	-	-	(5,663,903)
Other nonoperating revenues/expenditures	3,198,094	109,024	11,847	(74)	3,318,891
Total Nonoperating Revenues (Expenditures)	237,558,974	109,024	11,847	(74)	237,679,771
Income (Loss) Before Other Revenues and Expenditures/Expenses	(46,183,540)	(1,219,363)	151,211	(5,482)	(47,257,174)
Other Revenues and Expenditures					
Local property taxes and revenues - capital	45,441,372	-	-	-	45,441,372
Investment income - capital	10,613,319	-	68	-	10,613,387
Excess of Revenues Over (Under) Expenditures/Expenses	9,871,151	(1,219,363)	151,279	(5,482)	8,797,585
Other Financing Sources (Uses)					
Operating transfers in	121,423,791	-	-	-	121,423,791
Operating transfers out	(121,557,031)	-	-	-	(121,557,031)
Debt service	(120,488,516)	-	-	-	(120,488,516)
Total Other Financing Sources (Uses)	26,445,865	-	-	-	26,445,865
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses	36,317,016	(1,219,363)	151,279	(5,482)	35,243,450
Fund Equity - Beginning of Year	512,947,111	523,298	843,252	159,157	514,472,818
Fund Equity - End of Year	\$ 549,264,127	\$ (696,065)	\$ 994,531	\$ 153,675	\$ 549,716,268

See the accompanying notes to the other supplementary information.

Kern Community College District
COMBINING SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND EQUITY – DISTRICT FUNDS
INCLUDED IN THE REPORTING ENTITY
(Continued)

Year Ended June 30, 2024	Balance Brought Forward	Student Body Center Fee Trust Fund	Student Financial Aid Fund	Other Trust Fund	Total
Operating Revenues					
Tuition and fees	\$ 35,691,212	\$ 106,483	\$ -	\$ -	\$ 35,797,695
Less: Scholarship discount and allowance	25,568,754	-	-	-	25,568,754
Net Tuition and Fees	10,122,458	106,483	-	-	10,228,941
Grants and contracts - noncapital:					
Federal	16,442,825	-	-	-	16,442,825
State	105,216,285	-	500,149	-	105,716,434
Local	1,285,383	(5)	-	715,590	2,000,968
Auxiliary enterprise sales and charges	2,058,826	-	-	-	2,058,826
Other operating revenues	134,447	-	-	-	134,447
Total Operating Revenues	135,260,224	106,478	500,149	715,590	136,582,441
Operating Expenditures/Expenses					
Salaries	152,724,583	59,903	-	163,460	152,947,946
Employee benefits	74,266,319	35,784	-	105,447	74,407,550
Supplies, materials, and other operating expenditures	99,270,121	9,019	-	36,407	99,315,547
Capital outlay	86,851,240	-	-	-	86,851,240
Utilities	6,869,626	-	-	-	6,869,626
Depreciation	-	-	-	-	-
Payments to students	215,280	-	-	7,601	222,881
Total Operating Expenditures/Expenses	420,197,169	104,706	-	312,915	420,614,790
Operating Income (Loss)	(284,936,945)	1,772	500,149	402,675	(284,032,349)
Nonoperating Revenues (Expenditures)					
State apportionments - noncapital	119,653,745	-	-	-	119,653,745
Education protection account revenues	20,815,877	-	-	-	20,815,877
Local property taxes	75,411,426	-	-	-	75,411,426
State taxes and other revenues - noncapital	10,120,465	-	-	-	10,120,465
Investment income - noncapital	14,023,270	-	-	-	14,023,270
Financial aid revenues - federal	-	-	66,658,738	2,143,952	68,802,690
Financial aid revenues - state	-	-	59,643	23,282,884	23,342,527
Financial aid disbursements	(5,663,903)	-	(67,351,770)	(25,738,601)	(98,754,274)
Other nonoperating revenues/expenditures	3,318,891	73,254	-	(9,488)	3,382,657
Total Nonoperating Revenues (Expenditures)	237,679,771	73,254	(633,389)	(321,253)	236,798,383
Income (Loss) Before Other Revenues and Expenditures/Expenses	(47,257,174)	75,026	(133,240)	81,422	(47,233,966)
Other Revenues and Expenditures					
Local property taxes and revenues - capital	45,441,372	-	-	-	45,441,372
Investment income - capital	10,613,387	-	-	-	10,613,387
Excess of Revenues Over (Under) Expenditures/Expenses	8,797,585	75,026	(133,240)	81,422	8,820,793
Other Financing Sources (Uses)					
Operating transfers in	121,423,791	-	133,240	-	121,557,031
Operating transfers out	(121,557,031)	-	-	-	(121,557,031)
Debt service	(120,488,516)	-	-	-	(120,488,516)
Total Other Financing Sources (Uses)	26,445,865	-	133,240	-	26,579,105
Excess of Revenues and Other Financing Sources Over (Under) Expenditures/Expenses and Other Financing Uses					
	35,243,450	75,026	-	81,422	35,399,898
Fund Equity - Beginning of Year	514,472,818	444,981	-	900	514,918,699
Fund Equity - End of Year	\$ 549,716,268	\$ 520,007	\$ -	\$ 82,322	\$ 550,318,597

See the accompanying notes to the other supplementary information.

Kern Community College District
RECONCILIATION OF FUND EQUITY TO NET POSITION

June 30, 2024

Total Fund Equity - District Funds Included in the Reporting Entity	\$ 550,318,597
Assets recorded within the GASB 35 Statement of Net Position not included in the District fund financial statements:	
Depreciable and leased assets	\$615,202,073
Accumulated depreciation and amortization	(185,404,881)
Subtotal	429,797,192
Nondepreciable capital assets	224,437,802
Deferred outflows related to OPEB	13,106,167
Deferred outflows related to pensions	62,876,823
Deferred loss on refunding, net	4,512,092
Liabilities recorded within the GASB 35 Statement of Net Position not recorded in the District fund financial statements:	
Accounts payable:	
Interest payable	(7,967,434)
Retentions payable	(3,793,381)
Net other postemployment benefits asset	13,144,158
Pension liabilities	(186,577,333)
Compensated absences	(4,631,742)
Other long-term liabilities	(678,808,798)
Deferred inflows related to OPEB	(14,890,555)
Deferred inflows related to pensions	(13,523,159)
Net Position Reported Within the GASB 35 Statement of Net Position	\$ 388,000,429

See the accompanying notes to the other supplementary information.

Kern Community College District

RECONCILIATION OF CHANGE IN FUND EQUITY TO CHANGE IN NET POSITION

Year Ended June 30, 2024

Total Net Change in Fund Equity - District Funds Included in the Reporting Entity	\$ 35,399,898
Compensated absence expense reduction reported within the GASB 35 Statements	812,774
Capital outlay expense not reported within the GASB 35 Statements	89,231,990
Depreciation & amortization expense reported within the GASB 35 Statements	(12,710,624)
Principal payments on debt not reported within the GASB 35 Statements	89,537,332
Bond proceeds from debt not reported within the GASB 35 Statements	(147,067,621)
Change in interest expense for capital asset related debt reported within the GASB 35 Statements	2,559,631
Change in bond premium cost, net of discounts, reported within the GASB 35 Statements	1,976,113
Change in deferred loss on refunding reported within the GASB 35 Statements	(443,776)
Change in lease liability related to GASB 87	1,142,395
Change in pension expense related to GASB 68	(2,744,345)
Change in OPEB expense related to GASB 75	928,751
Net Change in Net Position Reported Within the GASB 35 Statement of Revenues, Expenses, and Changes in Net Position	\$ 58,622,518

See the accompanying notes to the other supplementary information.

1. PURPOSE OF SCHEDULES

Schedule of Workload Measures for State General Apportionment Annual Attendance

FTES is a measurement of the number of students attending classes of the district. The purpose of attendance accounting from a fiscal standpoint is to provide the basis for making apportionments of State funds to community college districts. This schedule provides the information regarding the attendance of students based on various methods of accumulating attendance data.

Schedule of Expenditures of Federal Awards

This schedule includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance).

Expenditures reported on this schedule are reported on the modified basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The District has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Schedule of State Financial Awards

This schedule includes the state activity of the District under categorical programs of the state of California for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of the *California Community Colleges Contracted District Audit Manual 2022-23*.

Expenses reported on this schedule are reported on the accrual basis of accounting.

Reconciliation of Annual Financial and Budget Report (CCFS-311) With District Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the District accounting records.

Reconciliation of 50% Law Calculation

This schedule provides the information necessary to reconcile the 50% law calculation as reported on the Form CCFS-311 to the audited financial statements.

Reconciliation of Education Protection Account Expenditures

This schedule provides the information necessary to reconcile the Education Protection Account Expenditures reported on the Form CCFS-311 to the audited financial statements.

Kern Community College District

NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

(Continued)

Reconciliation of Fund Equity to Net Position and Reconciliation of Change in Fund Equity to Change in Net Position

These schedules provide the information necessary to reconcile the supplemental combining financial schedules to the audited financial statements.

2. COMBINING FINANCIAL STATEMENTS SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The accompanying Combining Balance Sheet – District Funds Included in the Reporting Entity, Combining Schedule of Revenues, Expenditures/Expenses, and Changes in Fund Equity – District Funds Included in the Reporting Entity are presented on the modified accrual basis of accounting with the exception of the Bookstore and Cafeteria Funds, which are presented on the accrual basis of accounting consistent with the presentation in the entity-wide financial statements.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers property taxes available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Property taxes, franchise taxes, licenses, interest revenue, and charges for services are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

The District reports advances from grantors and students on its combining balance sheet. Advances from grantors and students arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Advances from grantors and students also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has legal claim to the resources, the liability for advances from grantors and students is removed and revenue is recognized.

3. LOAN PROGRAMS

The District is responsible only for the performance of certain administrative duties with respect to the Federal Direct Loan Program. Accordingly, the value of these outstanding loans is not reflected in the District's financial statements. It is not practical to determine the balance of loans outstanding to students of the District under this program as of June 30, 2024.

OTHER INFORMATION SECTION

Kern Community College District

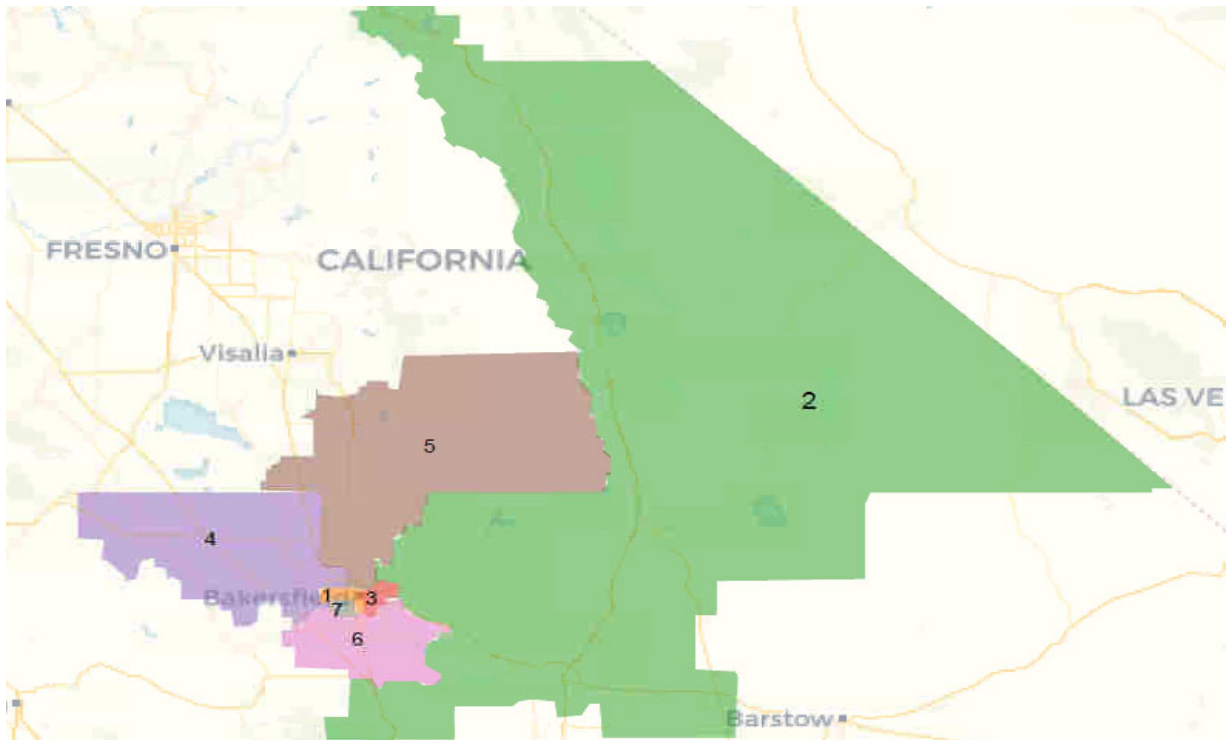
ORGANIZATION STRUCTURE

June 30, 2024

The District was established in 1968, and serves communities over 24,800 square miles in parts of Kern, Tulare, Inyo, Mono, and San Bernardino counties through the programs of Bakersfield College, Cerro Coso College and Porterville College. Governed by a locally elected Board of Trustees, the District's colleges offer programs and services that develop student potential and create opportunities for their citizens. The District is geographically one of the largest community college districts in the United States, serving more than 30,000 students. During the current year the Board of Trustees adopted a resolution establishing a new Trustee Areas map and election sequence for the District.

BOARD OF TRUSTEES

Name	Office	Trustee Area	Term Expires
Mr. Romero Agbalog	President	4	2024
Mr. John S. Corkins	Vice President	5	2026
Mrs. Kay Meek	Clerk	7	2024
Mr. Kyle W. Carter	Member	1	2026
Ms. Christina Scrivner	Member	2	2026
Ms. Yovani Jiminez	Member	6	2024
Ms. Nan Gomez-Heitzeberg	Member	3	2026



Kern Community College District

ORGANIZATION STRUCTURE

(Continued)

June 30, 2024

ADMINISTRATION

Mr. Steven Bloomberg
Interim Chancellor

Mr. Zav Dadabhoy
Deputy Chancellor

Mr. Mike Giacomini, CPA, MBA
Chief Financial Officer

Mr. Gary Moser
Chief Information Officer

Mr. Abe Ali
Vice Chancellor, Human Resources

Ms. Trudy Gerald
Vice Chancellor, Workforce and Economic Development

AUXILIARY ORGANIZATIONS IN GOOD STANDING

Bakersfield College Foundation, established 1975
Master Agreement established, October 15, 1992
Cheryl Scott, Executive Director

Cerro Coso Community College Foundation, established 1977
Master Agreement established, August 12, 1992
Kim Metcalf, Director of Public Relations and Institutional Advancement

Porterville College Foundation, established 1970
Master Agreement established, November 19, 1992
Ramona Chiapa, Executive Director

OTHER REPORTS SECTION

INDEPENDENT AUDITORS' 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
Kern Community College District
Bakersfield, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the business-type activities and the discretely presented component unit of Kern Community College District (the District) as of and for the year ended June 30, 2024; and the related notes to the financial statements, which collectively comprise the District's basic financial statements; and have issued our report thereon dated February 20, 2025.

Report on Internal Control Over Financial Reporting

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

INDEPENDENT AUDITORS' 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

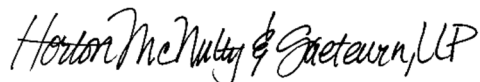
(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



February 20, 2025
Chico, California

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Kern Community College District
Bakersfield, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Kern Community College District's (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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 programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal 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 of America; 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* (the Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

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 provision of contracts or grant agreements applicable to the District's federal programs.

Auditors' 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 District'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*, and the Uniform Guidance 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 District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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 District'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 District'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, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

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.

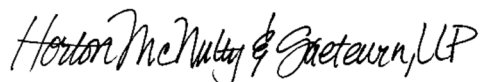
Report on Internal Control Over Compliance

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 program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 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 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 Auditors' 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 have not been identified.

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. Accordingly, this report is not suitable for any other purpose.



February 20, 2026
Chico, California

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER STATE COMPLIANCE

To the Board of Trustees
Kern Community College District
Bakersfield, California

Report on Compliance

Opinion on State Compliance

We have audited the Kern Community College District's (the District) compliance with the types of state compliance requirements described in the *California Community Colleges Contracted District Audit Manual 2023-24*, published by the California Community Colleges Chancellor's Office, for the year ended June 30, 2024. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the state compliance requirements referred to above that are applicable to the District for the year ended June 30, 2024.

Basis for Opinion

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; and the *California Community Colleges Contracted District Audit Manual 2023-24*, published by the California Community Colleges Chancellor's Office. Our responsibilities under those standards and the *California Community Colleges Contracted District Audit Manual 2023-24*, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our 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. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER STATE COMPLIANCE

(Continued)

SCFF Data management control environment
SCFF Supplemental Allocation Metrics
SCFF Success Allocation Metrics
Salaries of classroom instructors (50 percent law)
Apportionment for activities funded from other sources
Student centered funding formula base allocation: FTES
Residency determination for credit courses
Students actively enrolled
Dual enrollment (CCAP)
Scheduled maintenance program
Gann limit calculation
Apprenticeship related and supplemental instruction (RSI) funds
Disabled student programs and services (DSPS)
Propositions 1D and 51 state bonded funds
Education protection account funds
Student representation fee
State fiscal recovery fund
COVID-19 response block grant expenditures

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 District's government programs.

Auditors' 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 District'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*, and the *California Community Colleges Contracted District Audit Manual 2023-24*, 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 District's compliance with the requirements of the government program as a whole.

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER STATE COMPLIANCE

(Continued)

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *California Community Colleges Contracted District Audit Manual 2023-24*, 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 District's compliance with the compliance requirements referred to above and performing such procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District'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 *California Community Colleges Contracted District Audit Manual 2023-24*, but not for the purpose of expressing an opinion on the effectiveness of the District'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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, such that there is a reasonable possibility that material noncompliance with a compliance requirement 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 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 Auditors' 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 considered to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

**INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON
INTERNAL CONTROL OVER STATE COMPLIANCE**

(Continued)

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 *California Community Colleges Contracted District Audit Manual 2023-24*. Accordingly, this report is not suitable for any other purpose.

Horton McNulty & Grotewiel, LLP

February 20, 2025
Chico, California

FINDINGS AND QUESTIONED COSTS SECTION

SECTION I
SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Is any noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
Assistance Listing Number Program Name	
84.425 Education Stabilization	
21.027 Coronavirus State and Fiscal Recovery Funds	
Various Student Financial Aid Cluster	
Threshold for distinguishing types A and B programs:	\$2,586,755
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over state programs:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for state programs:	Unmodified

Kern Community College District
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024
(Continued)

SECTION II FINDINGS
FINANCIAL STATEMENTS AUDIT

None.

SECTION III FINDINGS
FEDERAL AWARDS AUDIT

None.

SECTION IV FINDINGS
STATE AWARDS AUDIT

None.

Kern Community College District

CORRECTIVE ACTION PLAN

June 30, 2024

Not applicable: there are no current-year findings related to federal awards.

Kern Community College District
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2024

None.