OFFICIAL STATEMENT

DAC Bond®

NEW ISSUE—BOOK-ENTRY ONLY

RATINGS: Standard & Poor's: "AA" (Stable outlook)
AGM Insured
Underlying Rating: "A/Stable"
See **"BOND RATING"** and **"MUNICIPAL BOND INSURANCE"** herein

*In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continuing compliance by the Authority and the College with certain covenants related to Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Bonds (including, in the case of Bonds sold at an original issue discount, the difference between the initial offering price and par) is excluded from gross income for Federal income tax purposes. Bond Counsel is also of the opinion that interest on the Bonds is not a specific item of tax preference under §57 of the Code for purposes of Federal individual or corporate alternative minimum taxes. The Bonds, and the interest income therefrom, are free from taxation for purposes of personal income, corporate net income and personal property taxes within the Commonwealth of Pennsylvania. (See "**TAX EXEMPTION**" herein.)*

$46,705,000
STATE PUBLIC SCHOOL BUILDING AUTHORITY
(Commonwealth of Pennsylvania)
COLLEGE REVENUE BONDS (WESTMORELAND COUNTY COMMUNITY COLLEGE PROJECT), SERIES OF 2016
Consisting of
$41,340,000 College Revenue Bonds, Series A of 2016
$5,365,000 College Revenue Bonds, Series B of 2016

Dated: Date of Delivery
Interest Due: April 15 and October 15

Principal Due: October 15, see inside front cover
First Interest Payment: October 15, 2016

The State Public School Building Authority (the "Authority") is issuing its College Revenue Bonds (Westmoreland County Community College Project), Series of 2016 in the aggregate principal amount of $46,705,000 consisting of $41,340,000 aggregate principal amount of College Revenue Bonds (Westmoreland County Community College Project), Series A of 2016 (the "Series A Bonds") and $5,365,000 aggregate principal amount of College Revenue Bonds (Westmoreland County Community College Project), Series B of 2016 (the "Series B Bonds" and together with the Series A Bonds, the "Bonds" or "2016 Bonds") as fully registered securities. The Bonds will be registered in the name of Cede & Co., as the registered owner and nominee of The Depository Trust Company ("DTC"), New York, New York. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or any integral multiple thereof only under the book-entry only system maintained by DTC through its brokers and dealers who are, or act through, DTC Participants. The purchasers of the Bonds will not receive physical delivery of the Bonds. For so long as any purchaser is the beneficial owner of a Bond, that purchaser must maintain an account with a broker or a dealer who is, or acts through, a DTC Participant in order to receive payment of principal of and interest on the Bonds. See "**BOOK-ENTRY ONLY SYSTEM**" herein. If, under the circumstances described herein, the Bonds are ever issued in certificated form, the Bonds will be subject to registration of transfer, exchange and payment as described herein. The principal of the Bonds will be paid to the registered owners or assigns, when due, upon presentation and surrender of the Bonds to The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania as trustee for the Bonds (the "Trustee") acting as trustee, paying agent and sinking fund depository, at its designated corporate trust office in Pittsburgh, Pennsylvania. Interest on the Bonds is payable initially on October 15, 2016, and thereafter, semiannually on April 15 and October 15 of each year, until the principal sum thereof is paid. Payment of interest on the Bonds will be made by check drawn on the Paying Agent mailed to the registered owners of the Bonds as of the Record Date. (See "**THE BONDS**" herein.)

The Bonds are subject to redemption prior to maturity (See "REDEMPTION OF THE BONDS" herein).

The Series A Bonds are being issued by the Authority to provide funds for a project consisting of: (1) the acquisition, construction and equipping of various College facilities that are components of the College's Capital Plan, including but not limited to, construction of a new Student Center, renovations to Founders Hall and the Science Hall and miscellaneous Facilities Maintenance Projects; and (2) paying the costs and expenses of issuing the Series A Bonds. The Series B Bonds are being issued by the Authority to provide funds for a project consisting of: (1) refunding, on a current refunding basis, all of the Authority's College Revenue Bonds (Westmoreland County Community College Project), Series B of 2008 (the "2008B Bonds") outstanding in the aggregate principal amount of $4,895,000, plus accrued interest to the date of redemption June 15, 2016; (2) completing the acquisition, construction and equipping of the College's Latrobe Education Center and any other projects the College deems necessary; and (3) paying the costs and expenses of issuing the Series B Bonds. See "**REFUNDING PROGRAM**" herein.

The Bonds will be issued by the State Public School Building Authority (the "Authority") pursuant to a Trust Indenture dated as of October 15, 1995, as previously supplemented, and as shall be further supplemented by a Seventh Supplemental Trust Indenture dated as of June 14, 2016 (the "Indenture") between the Authority and the Trustee. The Bonds are limited obligations of the Authority, payable from the payments to be made by the Westmoreland County Community College (the "College" or "WCCC") under a note (the "2016 Note") issued by the College to evidence its payment obligations under a Loan Agreement dated as of October 15, 1995, as previously supplemented, and as shall be further supplemented by a Seventh Supplemental Loan Agreement dated as of June 14, 2016 (the "Loan Agreement") between the Authority and the College.

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE SECURED BY AND PAYABLE FROM THE PAYMENTS TO BE MADE BY THE COLLEGE UNDER THE 2016 NOTE AND THE LOAN AGREEMENT. NEITHER THE PRINCIPAL OR REDEMPTION PRICE OF THE BONDS, NOR THE INTEREST THEREON, SHALL CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY OR AN INDEBTEDNESS OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER; CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY OR THE GENERAL CREDIT OR TAXING POWER OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF; OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR OBLIGATION OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. THE AUTHORITY HAS NO TAXING POWER.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY MUNICIPAL CORP**.

ASSURED GUARANTY® MUNICIPAL

MATURITIES, AMOUNTS, RATES AND PRICES/YIELDS
See Inside Front Cover

The Bonds are offered for delivery when, as and if issued by the Authority subject to the approving legal opinion of Dinsmore & Shohl LLP, Pittsburgh, Pennsylvania, Bond Counsel, appointed by the Office of General Counsel. Certain legal matters will be passed upon for the College by its counsel Daniel B. Pagliari, Esquire, New Kensington, Pennsylvania. Certain legal matters will be passed upon for the Authority by its counsel, Barley Snyder LLP, Lancaster, Pennsylvania and for the Underwriter by Buchanan Ingersoll & Rooney PC, Pittsburgh, Pennsylvania. It is expected that the Bonds will be available for delivery through DTC, on or about June 14, 2016.

BOENNING & SCATTERGOOD INC.

Dated: May 12, 2016

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "**MUNICIPAL BOND INSURANCE**" and "Appendix C - **Specimen Municipal Bond Insurance Policy**".

$46,705,000
STATE PUBLIC SCHOOL BUILDING AUTHORITY
(Commonwealth of Pennsylvania)
COLLEGE REVENUE BONDS (WESTMORELAND COUNTY COMMUNITY COLLEGE PROJECT),
SERIES OF 2016
Consisting of

$41,340,000 College Revenue Bonds, Series A of 2016
$5,365,000 College Revenue Bonds, Series B of 2016

Dated: Date of Delivery
Interest Due: April 15 and October 15

Principal Due: October 15, as shown on below
First Interest Payment: October 15, 2016

BOND MATURITY SCHEDULE

SERIES A

Maturity Date	Principal Amount	Interest Rate	Yield to Maturity	Price	CUSIP 85732M[1]
10/15/2016	$1,435,000	2.000%	0.700%	100.435%	L54
10/15/2017	$1,470,000	3.000%	0.950%	102.714%	L62
10/15/2018	$1,525,000	4.000%	1.150%	106.549%	L70
10/15/2019	$1,585,000	4.000%	1.300%	108.785%	L88
10/15/2020	$1,650,000	4.000%	1.450%	110.677%	L96
10/15/2021	$1,725,000	5.000%	1.600%	117.321%	M20
10/15/2022	$1,815,000	5.000%	1.750%	119.409%	M38
10/15/2023	$1,905,000	5.000%	1.900%	121.132%	M46
10/15/2024	$2,005,000	5.000%	2.050%	122.496%	M53
10/15/2025	$2,075,000	2.000%	2.180%	98.485%	M61
10/15/2026	$2,120,000	2.125%	2.340%	98.034%	M79
10/15/2027	$2,165,000	2.250%	2.440%	98.126%	M87
10/15/2028	$2,215,000	2.375%	2.550%	98.156%	M95
10/15/2029	$2,270,000	2.500%	2.650%	98.322%	N29

$4,790,000 4.000% Term Bond due October 15, 2031* at 111.273% to yield 2.630% - N37
$5,135,000 3.000% Term Bond due October 15, 2033 at 98.929% to yield 3.080% - N45
$5,455,000 3.000% Term Bond due October 15, 2035 at 98.407% to yield 3.110% - N52

*Priced to the optional redemption date of October 15, 2025

1) The above CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by an organization not affiliated with the Authority or the Underwriter and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. Neither the Authority nor the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

$46,705,000
STATE PUBLIC SCHOOL BUILDING AUTHORITY
(Commonwealth of Pennsylvania)
COLLEGE REVENUE BONDS (WESTMORELAND COUNTY COMMUNITY COLLEGE PROJECT),
SERIES OF 2016
Consisting of

$41,340,000 College Revenue Bonds, Series A of 2016
$5,365,000 College Revenue Bonds, Series B of 2016

Dated: Date of Delivery
Interest Due: April 15 and October 15
Principal Due: October 15, as shown on below
First Interest Payment: October 15, 2016

BOND MATURITY SCHEDULE

SERIES B

Maturity Date	Principal Amount	Interest Rate	Yield to Maturity	Price	CUSIP 85732M
10/15/2016	$410,000	2.000%	0.700%	100.435%	N60
10/15/2017	$395,000	0.950%	0.950%	100.000%	N78
10/15/2018	$400,000	3.000%	1.150%	104.251%	N86
10/15/2019	$415,000	3.000%	1.300%	105.531%	N94
10/15/2020	$425,000	3.000%	1.450%	106.490%	P27
10/15/2021	$440,000	3.000%	1.600%	107.131%	P35
10/15/2022	$450,000	3.000%	1.750%	107.464%	P43
10/15/2023	$470,000	3.000%	1.900%	107.497%	P50
10/15/2024	$475,000	2.000%	2.050%	99.617%	P68
10/15/2025	$485,000	2.000%	2.180%	98.485%	P76
10/15/2026	$495,000	2.125%	2.340%	98.034%	P84
10/15/2027	$505,000	2.250%	2.440%	98.126%	P92

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[1] The above CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by an organization not affiliated with the Authority or the Underwriter and such parties are not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such issue or the use of secondary market financial products. Neither the Authority nor the Underwriter has agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the CUSIP numbers set forth above.

STATE PUBLIC SCHOOL BUILDING AUTHORITY
COMMONWEALTH OF PENNSYLVANIA

MEMBERS OF THE AUTHORITY

EXECUTIVE DIRECTOR
ROBERT BACCON

COUNSEL TO THE AUTHORITY
(Appointed by the Office of General Counsel)
BARLEY SNYDER LLP
Lancaster, Pennsylvania

BOND COUNSEL
(Appointed by the Office of General Counsel)
DINSMORE & SHOHL LLP
Pittsburgh, Pennsylvania

COUNSEL TO THE COLLEGE
DANIEL B. PAGLIARI, ESQ.
New Kensington, Pennsylvania

COUNSEL TO THE UNDERWRITER
BUCHANAN INGERSOLL & ROONEY PC
Pittsburgh, Pennsylvania

UNDERWRITER
BOENNING & SCATTERGOOD INC.
Pittsburgh, Pennsylvania

TRUSTEE
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
Philadelphia, Pennsylvania

DISSEMINATION AGENT
DIGITAL ASSURANCE CERTIFICATION L.L.C.
Orlando, Florida

AUTHORITY ADDRESS
STATE PUBLIC SCHOOL BUILDING AUTHORITY
1035 Mumma Road
Wormleysburg, Pennsylvania 17043

WESTMORELAND COUNTY COMMUNITY COLLEGE
Westmoreland, Pennsylvania
145 Pavillion Lane
Youngwood, Pennsylvania 15697
Phone: (724) 925-4000
Fax: (724) 925-4221
Website: www.wccc.edu

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

No dealer, broker, salesperson or other person has been authorized by the Authority or the College to give any information or to make any representations with respect to the Bonds, other than those contained in this Official Statement. Such other information or representations, if given or made, must not be relied upon as having been authorized by the Authority or the College. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information set forth herein since the date hereof or the dates of the information contained herein.

The Authority has not prepared or assisted in the preparation of this Official Statement except for the statements under the captions "**THE AUTHORITY**" and "**LITIGATION-The Authority**." The Authority has reviewed only the information contained herein under such captions and approved only such information for use within the Official Statement.

Certain information contained in this Official Statement has been obtained from the College, The Depository Trust Company and other sources that are believed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information, and nothing contained in this Official Statement is, or may be relied on as, a promise or representation by the Authority or the Underwriter. The information herein relating to the College and its affairs and condition has been provided by the College, and neither the Authority nor the Underwriter make any representation with respect to, or warrants the accuracy of, such information.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed a determination of relevance, materiality or importance. The Official Statement, including the appendices, must be considered in its entirety.

If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," "assumes" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the revenues and obligations of the Authority or the College include, among others, changes in economic conditions, mandates from other governments and various other events, conditions and circumstances, many of which are beyond the control of the Authority or the College. Such forward-looking statements speak only as of the date of this Official Statement. The Authority and the College disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the Authority's or the College's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT.

This Table of Contents is for convenience of reference only and does not list all of the subjects in this Official Statement. In all instances, references should be made to the complete body of the Official Statement to determine the subjects discussed herein.

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SUMMARY STATEMENT

This Summary Statement is subject in all respects to more complete information contained in this Official Statement. No person is authorized to detach this **SUMMARY STATEMENT** from this Official Statement or otherwise use it without the entire Official Statement.

Issuer...	State Public School Building Authority (the "Authority" or "SPSBA").
The Bonds..................................	College Revenue Bonds (Westmoreland County Community College Project), Series A of 2016 (the "Series A Bonds"), in the aggregate principal amount of $41,340,000. The Series A Bonds are initially dated the Date of Delivery, and will mature as shown in the **BOND MATURITY SCHEDULE – SERIES A** shown on the inside of the Cover Page of this Official Statement. Interest on the Series A Bonds will begin to accrue on the Date of Delivery, and is payable initially on October 15, 2016, and on each April 15 and October 15 thereafter. (See "**THE BONDS**" herein.) College Revenue Bonds (Westmoreland County Community College Project), Series B of 2016 (the "Series B Bonds"), in the aggregate principal amount of $5,365,000. The Series B Bonds are initially dated the Date of Delivery, and will mature as shown in the **BOND MATURITY SCHEDULE – SERIES B** shown on the inside of the Cover Page of this Official Statement. Interest on the Series B Bonds will begin to accrue on the Date of Delivery, and is payable initially on October 15, 2016, and on each April 15 and October 15 thereafter. (See **"THE BONDS"** herein.)
Redemption Provisions.............	The 2016 Bonds are subject to mandatory, optional and extraordinary redemption prior to their stated dates of maturity. (See **"REDEMPTION OF THE BONDS"** herein.)
Form of Bonds............................	Book-entry form only.
Purpose of the Issue	The Series A Bonds are being issued by the Authority to provide funds for a project consisting of: (1) the acquisition, construction and equipping of various College facilities that are components of the College's Capital Plan, including but not limited to, construction of a new Student Center, renovations to Founders Hall and the Science Hall and miscellaneous Facilities Maintenance Projects; and (2) paying the costs and expenses of issuing the Series A Bonds. The Series B Bonds are being issued by the Authority to provide funds for a project consisting of: (1) refunding, on a current refunding basis, all of the Authority's College Revenue Bonds (Westmoreland County Community College Project), Series B of 2008 (the "2008B Bonds") outstanding in the aggregate principal amount of $4,895,000, plus accrued interest to the date of redemption June 15, 2016; (2) completing the acquisition, construction and equipping of the College's Latrobe Education Center and any other projects the College deems necessary; and (3) paying the costs and expenses of issuing the Series B Bonds. See "**REFUNDING PROGRAM"** herein.
Security for the Bonds	The Bonds will be issued by the Authority pursuant to a Trust Indenture dated as of October 15, 1995, as previously supplemented, and as shall be further supplemented by a Seventh Supplemental Trust Indenture dated as of June 14, 2016 (collectively, the "Indenture") between the Authority and the Trustee. The Bonds are limited obligations of the Authority, payable from the payments to be made by the Westmoreland County Community College (the "College" or "WCCC") under a note (the "2016 Note") issued to evidence its payment obligations under a Loan Agreement dated as of October 15, 1995, as previously supplemented, and as shall be further supplemented by a Seventh Supplemental Loan Agreement dated as of June 14, 2016 (collectively, the "Loan Agreement") between the Authority and the College.
Credit Enhancement	The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Assured Guaranty Municipal Corp. (See **"MUNICIPAL BOND INSURANCE"** herein.)
Bond Rating................................	The Bonds are expected to receive a credit rating of "AA" (Stable outlook) from S & P Global Ratings, New York, New York, ("S&P") with the understanding that the above-described municipal bond insurance policy will be issued at the time of settlement of the Bonds. S&P has also assigned its underlying rating of "A/Stable" to the Bonds (based upon the College's financial condition). (See **"BOND RATING"** herein.)
Continuing Disclosure Undertaking	The College has agreed to provide, or cause to be provided, in a timely manner, certain information in accordance with the requirements of Rule 15c2-12, as promulgated under the Securities and Exchange Act of 1934, as amended and interpreted (the "Rule"). (See **"CONTINUING DISCLOSURE UNDERTAKING"** herein.)

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OFFICIAL STATEMENT

$46,705,000
STATE PUBLIC SCHOOL BUILDING AUTHORITY
(Commonwealth of Pennsylvania)
COLLEGE REVENUE BONDS (WESTMORELAND COUNTY COMMUNITY COLLEGE PROJECT), SERIES OF 2016

Consisting of

$41,340,000 College Revenue Bonds, Series A of 2016
$5,365,000 College Revenue Bonds, Series B of 2016

INTRODUCTION

This Official Statement of the State Public School Building Authority (the "Authority"), which includes the cover page hereof and the Appendices hereto, provides certain information relating to the Authority and the $46,705,000 College Revenue Bonds (Westmoreland County Community College Project), Series of 2016 consisting of $41,340,000 College Revenue Bonds (Westmoreland County Community College Project), Series A of 2016 (the "Series A Bonds") and $5,365,000 College Revenue Bonds (Westmoreland County Community College Project), Series B of 2016 (the "Series B Bonds") and together with the Series A Bonds, the "Bonds" or the "2016 Bonds"). The Bonds are being issued pursuant to the State Public School Building Authority Act of 1947, P.L. 1217, as supplemented and amended (the "Act"), and a resolution duly adopted by the Authority on April 21, 2016 (the "Resolution"), and are secured by a Trust Indenture dated as of October 15, 1995 (the "Original Indenture"), as supplemented by that certain First Supplemental Trust Indenture dated as of August 1, 1998 (the "First Supplemental Indenture"), as further supplemented by that certain Second Supplemental Trust Indenture dated as of October 1, 1998 (the "Second Supplemental Indenture"), as further supplemented by that certain Third Supplemental Trust Indenture dated as of March 15, 2002 (the "Third Supplemental Indenture"), as further supplemented by that certain Fourth Supplemental Trust Indenture dated as of February 1, 2004 (the "Fourth Supplemental Indenture "), as further supplemented by that certain Fifth Supplemental Trust Indenture dated as of March 1, 2008 (the "Fifth Supplemental Indenture"), as further supplemented by that certain Sixth Supplemental Trust Indenture dated as of May 30, 2012 (the "Sixth Supplemental Indenture"), and as further supplemented by that certain Seventh Supplemental Trust Indenture dated as of June 14, 2016 (the "Seventh Supplemental Indenture" which, together with the Original Indenture, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, and the Sixth Supplemental Indenture are collectively referred to herein as the "Indenture"), entered into by the Authority and The Bank of New York Mellon Trust Company, N.A., Pittsburgh, Pennsylvania, as Trustee (the "Trustee").

Pursuant to a Loan Agreement dated as of October 15, 1995, between the Authority, as lender, and the Westmoreland County Community College (the "College" or "WCCC"), as borrower (the "Original Loan Agreement"), as supplemented by that certain First Supplemental Loan Agreement dated as of August 1, 1998 (the "First Supplemental Loan Agreement"), as further supplemented by that certain Second Supplemental Loan Agreement dated as of October 1, 1998 (the "Second Supplemental Loan Agreement"), as further supplemented by that certain Third Supplemental Loan Agreement dated as of March 15, 2002 (the "Third Supplemental Loan Agreement"), as further supplemented by that certain Fourth Supplemental Loan Agreement dated as of February 1, 2004 (the "Fourth Supplemental Loan Agreement"), as further supplemented by that certain Fifth Supplemental Loan Agreement dated as of March 1, 2008 (the "Fifth Supplemental Loan Agreement"), as further supplemented by that certain Sixth Supplemental Loan Agreement dated as of May 30, 2012 (the "Sixth Supplemental Loan Agreement"), and as further supplemented by that certain Seventh Supplemental Loan Agreement dated as of June 14, 2016 (the "Seventh Supplemental Loan Agreement" which, together with the "Original Loan Agreement, as supplemented by the First Supplemental Loan Agreement, the Second Supplemental Loan Agreement, the Third Supplemental Loan Agreement, the Fourth Supplemental Loan Agreement, the Fifth Supplemental Loan Agreement, and the Sixth Supplemental Loan Agreement are collectively referred to herein as the "Loan Agreement"), the Authority will lend the proceeds of the Bonds to the College, which will use such proceeds as more fully described herein under "**PURPOSE OF THE BONDS**". The College will issue its general obligation note (the "2016 Note") to evidence its payment obligation under the Loan Agreement with respect to the 2016 Bonds.

The 2016 Bonds are being issued as Additional Bonds under the Indenture and are equally and ratably secured under the Indenture with the Prior College Bonds (as defined hereinafter under the heading "**SOURCES OF PAYMENTS AND SECURITY FOR THE BONDS** – **Additional Bonds**") previously issued under the Indenture. (See "**WESTMORELAND COUNTY COMMUNITY COLLEGE** – **Long Term Indebtedness**" herein for details regarding the outstanding Prior College Bonds). The 2016 Bonds are secured by and payable under the Indenture from payments to be made by the College in respect of the 2016 Note, together with each similar note of the College previously issued in respect of its own companion series of Prior College Bonds. Each such note issued by the College to evidence its payment obligations under the Loan Agreement, including the 2016 Note, secure the Bonds and the Prior College Bonds on a parity basis, except with respect to any fund or account established under the Indenture solely for the benefit and security of a particular series of bonds, or with respect to amounts due from any bond insurer or other source of credit enhancement securing or payable solely with respect to a particular series of bonds.

The Authority is a body corporate and politic created in 1947 by the Act. Under the Act, the Authority is constituted a public corporation and governmental instrumentality, having perpetual existence, for the purpose of acquiring, financing, refinancing, constructing, improving, maintaining and operating public school and educational broadcasting facilities, and furnishing and equipping the same for use as part of the public school system of the Commonwealth of Pennsylvania (the "Commonwealth") under the jurisdiction of the Pennsylvania Department of Education (the "Department"). Under the Act, and Article XIX-A of the Public School Code, Act of July 1, 1985, P.L. 103, No. 31, Section 1 et seq., as amended (the "Community College Act"), the Authority also has for its purpose the acquiring, financing, refinancing, construction, improvement, furnishing, equipping, maintenance and operation of community college buildings.

The College was established under the sponsorship of the County of Westmoreland, Pennsylvania (the "County") pursuant to a resolution adopted by the Board of County Commissioners of the County dated July 7, 1970 in accordance with the provisions of the Community College Act and general guidelines for the implementation of the Community College Act prepared by the Department of Education. The College offers more than 150 different degree and certificate programs and serves approximately 5,948 full-time and part-time students as of the Fall Semester of 2015. The College's main campus is a 110 acre site located in the Borough of Youngwood, six miles from the City of Greensburg, the County seat. For further information about the College, see "**WESTMORELAND COUNTY COMMUNITY COLLEGE**" herein.

PURPOSE OF THE BONDS

The Series A Bonds are being issued by the Authority to provide funds for a project consisting of: (1) the acquisition, construction and equipping of various College facilities that are components of the College's Capital Plan, including but not limited to, construction of a new Student Center, renovations to Founders Hall and the Science Hall and miscellaneous Facilities Maintenance Projects; and (2) paying the costs and expenses of issuing the Series A Bonds.

The Series B Bonds are being issued by the Authority to provide funds for a project consisting of: (1) refunding, on a current refunding basis, all of the Authority's College Revenue Bonds (Westmoreland County Community College Project), Series B of 2008 (the "2008B Bonds") outstanding in the aggregate principal amount of $4,895,000, plus accrued interest to the date of redemption June 15, 2016; (2) completing the acquisition, construction and equipping of the College's Latrobe Education Center and any other projects the College deems necessary; and (3) paying the costs and expenses of issuing the Series B Bonds. See "**REFUNDING PROGRAM"** herein.

Sources and Uses of Bond Proceeds

The following is a summary of the sources and uses of the proceeds from the issuance of the 2016 Bonds

Sources	**Series A**	**Series B**	**Total**
Bond Proceeds	$41,340,000.00	$5,360,000.00	$46,705,000.00
Net Original Issue Premium	2,171,553.00	141,161.55	2,312,714.55
Total	**$43,511,553.00**	**$5,506,161.55**	**$49,017,714.55**
Uses			
Project Fund Deposit	$43,000,000.00	$508,508.91	$43,508,508.91
Retire, Series B of 2008	-	4,927,946.46	4,927,946.46
Costs of Issuance (1)	506,571.14	69,706.18	576,277.32
Deposit to Debt Service Fund	4,981.86	-	4,981.86
Total	**$43,511,553.00**	**$5,506,161.55**	**$49,017,714.55**

(1) Includes legal, printing, rating, municipal bond insurance premium, underwriters' discount, trustee and miscellaneous other costs.

REFUNDING PROGRAM

A portion of the proceeds of the Series B Bonds will be used to refund, on a current refunding basis, all of the Authority's 2008B Bonds, currently outstanding in the aggregate principal amount of $4,895,000, that were issued by the Authority on behalf of the College pursuant to the Indenture. The 2008B Bonds will be called for optional redemption on June 15, 2016, 2016. Proceeds of the Series B Bonds allocated to the refunding of the 2008B Bonds will be irrevocably deposited into the 2008B Debt Service Account established under the Indenture for the payment of the 2008B Bonds pending application to the redemption price of the 2008B Bonds. Upon satisfaction and discharge of the 2008B Bonds, the College's Revenue Note, Series B of 2008 (the "2008B Note") issued pursuant to the Fifth Supplemental Loan Agreement to evidence and secure the College's payment obligation under the Fifth Supplemental Loan Agreement will be simultaneously satisfied and discharged.

FUTURE FINANCING

The College does not anticipate issuing any additional bonds in the next three years, except those to refund existing bonds, in the event that economic conditions allow the College to realize savings.

THE AUTHORITY

The Authority and the Pennsylvania Higher Educational Facilities Authority (PHEFA), (together, the "Authorities") share an executive, fiscal and administrative staff, and operate under a joint administrative budget. The Authority serves as a conduit issuer for school districts, community colleges and technical schools and intermediate units in the Commonwealth and has issued, and will continue to issue, multiple series of bonds to finance various projects. Each such series of bonds is or will be secured by instruments and collateral separate and apart from other series, including the Bonds.

Under the Act, the Authority Board consists of the Governor of the Commonwealth, the State Treasurer, the Auditor General, the Secretary of Education, the Secretary of the Department of General Services, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate and the Minority Leader of the House of Representatives. The President Pro Tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives may designate any member of his or her legislative body to act as a member of the Authority in his or her stead. The members of the Authority serve without compensation but are entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members. The powers of the Authority are exercised by a governing body consisting of the members of the Authority acting as a board.

The Bonds are being issued by the Authority on behalf of the College pursuant to the Act, the Indenture and the Resolution, which approved the projects financed thereunder. The Authority has and will continue to issue bonds/notes for other eligible institutions and projects in the Commonwealth. None of the revenues of the Authority pledged to payment of the Bonds will be pledged to the payment of such other bonds/notes.

The following are key staff members of the Authority who are involved in the administration of the financing and projects:

Robert Baccon
Executive Director

Mr. Baccon has served as an executive with both Authorities since 1984. He is a graduate of St. John's University with a bachelor's degree in management, and holds a master's degree in international business from the Columbia University Graduate School of Business. Prior to joining the Authority, Mr. Baccon held financial management positions with multinational U.S. corporations and was Vice President - Finance for a major highway construction contractor.

David Player
Comptroller & Director of Financial Management

Mr. Player serves as the Comptroller & Director of Financial Management of both Authorities. He has been with the Authorities since 1999. Prior to his present position, he served as Senior Accountant for both Authorities and as an auditor with the Pennsylvania Department of the Auditor General. Mr. Player is a graduate of the Pennsylvania State University and a Certified Public Accountant.

Beverly M. Nawa
Administrative Officer

Mrs. Nawa has served as the Administrative Officer of both Authorities since 2004. She is a graduate of Alvernia University with a bachelor's degree in business administration. Prior to her present employment, Mrs. Nawa served as an Audit Senior and an Accounting Systems Analyst with the Pennsylvania Department of the Auditor General.

THE BONDS

Description of the Bonds

The Bonds are being issued by the Authority on behalf of the College in the aggregate principal amount shown on the cover page hereof pursuant to the Act, the Resolution and the Indenture. The Bonds will be dated the date of delivery thereof and will bear interest from such date at the rates set forth on the inside front cover page hereof, payable semiannually on April 15 and October 15 of each year (each, an "Interest Payment Date"), commencing October 15, 2016 (until maturity or prior redemption), and will mature on the dates and in the amounts forth on the inside front cover page hereof. The Bonds when issued will be registered in the name of Cede & Co., as a nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. While the Bonds are in the Book-Entry-Only System, references to the "owner" or the "registered owner" as described herein are to Cede & Co., as registered owner for DTC. Each beneficial owner of a Bond may desire to make arrangements with a DTC Participant to receive notices or communications with respect to matters described herein. See "**BOOK-ENTRY-ONLY SYSTEM**" herein.

The Bonds will be issued in fully registered form in denominations of $5,000 or any multiple thereof. While all of the Bonds are held in Book-Entry Only form, payments thereon shall be made to Cede & Co., as holder thereof. See "**BOOK-ENTRY ONLY SYSTEM**" herein. At all other times, the principal of the Bonds, and the premium, if any, payable upon redemption, are payable at the designated corporate trust office of the Trustee, and the interest thereon is payable by check mailed by the Trustee on each Interest Payment Date to the persons who were the registered owners of the Bonds on the registration books maintained by the Trustee, at the close of the last day of the calendar month (whether or not a business day) immediately preceding the month of an Interest Payment Date (a "Record Date"), irrespective of any transfer or exchange of any Bond subsequent to such Record Date and prior to such interest payment date, unless the Authority defaults in the payment of interest due on such Interest Payment Date. In the event of any such default, any defaulted interest will be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Trustee to the registered owners of the Bonds not fewer than fifteen (15) business days preceding such special record date.

In the event any Bond is mutilated, lost, stolen, or destroyed, the Authority may execute and the Trustee may authenticate a new Bond of like tenor and denomination in accordance with the provisions of the Indenture, and the Authority and the Trustee may charge the registered owner of such Bond with its reasonable fees and expenses and require indemnity in connection therewith.

Transfer, Exchange and Registration of Bonds

Each Bond is transferable by the registered owner thereof in person or by his attorney duly authorized in writing or legal representative at the office of the Trustee in Pittsburgh, Pennsylvania, or such other offices as may be designated by the Trustee, but only in the manner, subject to the limitations and upon payment of charges provided by the Indenture, and upon surrender and cancellation of such Bond accompanied by a duly executed instrument of transfer in form and with guarantee of signature satisfactory to the Trustee. Upon such transfer, a new Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount and bearing the same rate of interest, will be issued to the transferee in exchange therefor at the earliest practicable time. In like manner each Bond may be exchanged by the registered owner or by his duly authorized attorney or other legal representative for Bonds of the same maturity and of authorized denomination or denominations in the same aggregate principal amount and bearing the same rate of interest. Any such transfer or exchange as described herein shall be made without charge, except for the payment of any taxes or other governmental charges relating thereto. No exchange or transfer shall be required to be made (i) between the Record Date and the related Interest Payment Date or (ii) during a period beginning at the opening of business (15) days before the date of the mailing notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such redemption. The Authority, the Trustee and any paying agent of the Authority may treat and consider the person in whose name a Bond is registered as the absolute owner thereof for the purpose for receiving payment of, or on account of, the principal or redemption price thereof and the interest due thereon and for all other purposes whatsoever.

BOOK-ENTRY ONLY SYSTEM

Portions of the following information concerning The Depository Trust Company ("DTC") and DTC's book-entry-only system have been obtained from DTC. The Authority (sometimes herein referred to as the "Issuer"), the College, and the Underwriter make no representation as to the accuracy of such information.

DTC will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System. a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities: DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Trustee, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Trustee. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Trustee. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

NEITHER THE AUTHORITY NOR THE TRUSTEE SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A BONDHOLDER WITH RESPECT TO EITHER: (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (3) THE DELIVERY OR THE TIMELINESS OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO THE OWNER OF THE BONDS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

Neither the Authority nor the Trustee shall have any responsibility or obligation to any DTC Participant or Indirect Participant with respect to:

(i) the accuracy of the records of DTC, its nominee or any DTC Participant or Indirect Participant with respect to any beneficial ownership interest in any Bonds;

(ii) the delivery to any DTC Participant or Indirect Participant or any other Person, other than the registered owner of a Bond, as shown in the Bond Register, of any notice with respect to any Bond, including, without limitation, any notice of redemption;

(iii) the selection by DTC or any DTC Participant or Indirect Participant of any person to receive payment in the event of a partial redemption of Bonds;

(iv) the payment to any DTC Participant or Indirect Participant or any other Person other than the registered owner of a Bond, as shown in the Bond Register, of any amount with respect to the principal of, redemption price, or interest on, any Bond; or

(v) any consent given by DTC as registered owner.

Prior to the discontinuation of the book-entry only system as described herein, the Authority and the Trustee may treat DTC and any successor securities depository to be the absolute owner of the Bonds for all purposes, including, without limitation:

(i) the payment of principal of, redemption price or interest on, the Bonds;

(ii) giving notices of redemption and other matters with respect to the Bonds;

(iii) registering transfers with respect to the Bonds; and

(iv) the selection of Bonds for redemption.

The Beneficial Owners of the Bonds have no right to a securities depository for the Bonds. DTC or any successor securities depository may resign as depository for the Bonds by giving notice to the Trustee and the Authority and discharging its responsibilities under applicable law. In addition, the Authority, or the Authority at the request of the College, may remove DTC or a successor securities depository for any reason at any time. In such event, the Authority shall (i) appoint a securities depository qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, notify the prior securities depository of the appointment of such successor depository and transfer separate bond certificates to such successor securities depository or (ii) notify the securities depository of the availability through the securities depository of bond certificates and transfer one or more separate bond certificates to Depository Participants having Bonds credited to their accounts at the securities depository. In such event, such Bonds shall no longer be restricted to being registered in the registration books of the Authority in the name of the securities depository or its nominee, but may be registered in the name of the successor securities depository or its nominee, or in whatever name or names the Depository Participants receiving such Bonds shall designate, in accordance with the provisions of the Indenture.

Discontinuance of Book-Entry Only System

The book-entry only system for registration of the ownership of the Bonds may be discontinued at any time if: (i) DTC determines to resign as securities depository for the Bonds; or (ii) the Authority determines that continuation of the system of book-entry transfers through DTC (or through a successor securities depository) is not in the best interests of the Beneficial Owners. In either such event (unless the Authority appoints a successor securities depository), Bonds will then be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the Authority or the Trustee for the accuracy of such designation. Whenever DTC requests the Authority or the Trustee to do so, the Authority or the Trustee shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

THE AUTHORITY, THE COLLEGE AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS, (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS PRELIMINARY OFFICIAL STATEMENT.

REDEMPTION OF THE BONDS

Optional Redemption – Series A

The Series A Bonds stated to mature on or after October 15, 2026 are subject to redemption prior to maturity, at the option of the Authority at the direction of the College in whole or in part from time to time, on or after October 15, 2025, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date fixed for redemption. Any partial redemption may be in any order of maturity and in any principal amount within a maturity as designated by the College. In the case of any Bond also subject to mandatory redemption, the Authority at the direction of the College shall be entitled to designate whether any optional redemption shall be credited against principal amounts due at maturity or against particular scheduled mandatory redemption obligations with respect to such Bond. The Bonds to be redeemed within a maturity will be selected by the Trustee by lot.

Mandatory Redemption – Series A

The Series A Bonds maturing on October 15, 2031, 2033 and 2035 are subject to mandatory redemption in part, by lot, at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, on October 15 in the years and in amounts set forth below:

Bonds Maturing October 15

2031 Redemption Date	Principal Amount to be Redeemed	**2033** Redemption Date	Principal Amount to be Redeemed	**2035** Redemption Date	Principal Amount to be Redeemed
2030	$2,345,000	2032	$2,530,000	2034	$2,685,000
2031*	$2,445,000	2033*	$2,605,000	2035*	$2,770,000

* Stated Maturity

Such mandatory redemption shall be made upon payment of the principal amount of the Bonds being redeemed, plus accrued interest to the date fixed for redemption.

In lieu of any such Mandatory Redemption the Trustee, on behalf of the College, may purchase from money in the Sinking Fund at a price not to exceed the principal amount plus accrued interest, or the College may tender to the Trustee, all or part of the Bonds subject to being drawn for mandatory redemption in any such year.

Optional Redemption – Series B

The Series B Bonds stated to mature on or after October 15, 2026 are subject to redemption prior to maturity, at the option of the Authority at the direction of the College in whole or in part from time to time, on or after October 15, 2025, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date fixed for redemption. Any partial redemption may be in any order of maturity and in any principal amount within a maturity as designated by the College. In the case of any Bond also subject to mandatory redemption, the Authority at the direction of the College shall be entitled to designate whether any optional redemption shall be credited against principal amounts due at maturity or against particular scheduled mandatory redemption obligations with respect to such Bond. The Bonds to be redeemed within a maturity will be selected by the Trustee by lot.

Mandatory Redemption – Series B

The Series B Bonds are not subject to mandatory redemption.

Extraordinary Optional Redemption

The Bonds will be subject to redemption prior to maturity at the option of the Authority at the direction of the College, in whole or in part at any time, in any order of maturity selected by the College, and within any maturity by lot, upon payment of a redemption price equal to one hundred percent (100%) of the principal amount, plus accrued interest to the date of redemption, but only in the event that all or a portion of the projects financed or refinanced with the proceeds of the Bonds are condemned or sold under threat of condemnation, damaged or destroyed, and it is determined by the College that repair, replacement or reconstruction is not desirable, practical or financially feasible, from and to the extent of insurance proceeds, condemnation awards, or proceeds of sale in lieu of condemnation payable to the College are deposited for such purposes with the Trustee.

Notice of Redemption

So long as the Bonds are registered in the name of DTC or its nominee, the Trustee shall cause notice of any optional redemption of the Bonds to be made only to DTC or its nominee. If at any time the book-entry only system is discontinued with respect to the Bonds or if any Bonds are not registered in the name of DTC, its nominee or similar depository or nominee, the Trustee shall cause any notice of redemption to be mailed by first class mail, postage prepaid to the Owners of all the Bonds to be redeemed at the registered addresses appearing in the Bond Register. Each such notice shall be given in the name of the Authority and shall (i) be mailed not less than 30 nor more than 60 days prior to the redemption date (ii) identify the Bonds to be redeemed (specifying the CUSIP numbers, if any, assigned to the Bonds), (iii) specify the redemption date and the redemption price, and (iv) state that on the redemption date the Bonds called for redemption will be redeemable at the corporate trust office in Pittsburgh, Pennsylvania of the Trustee or any alternative Paying Agent, that interest will cease to accrue from the redemption date, and that no representation is made as to the accuracy or correctness of the CUSIP numbers printed therein or on the Bonds. No defect affecting any particular Bonds, whether in the notice of redemption or mailing thereof (including any failure to mail such notice), shall affect the validity of the redemption proceedings for the redemption of any other Bonds.

No further interest shall accrue on any Bond called for redemption after the redemption date if payment of the redemption price has been duly provided for and the Owners of such Bonds shall have no rights except payment of the redemption price and the unpaid interest accrued on such Bonds to the date fixed for redemption.

If at the time of mailing any notice of redemption the Authority shall not have deposited with the Trustee monies sufficient to redeem all the Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption monies with the Trustee not later than the opening of business on the redemption date and shall be of no effect unless such monies are so deposited. If such monies are not deposited by such date and time, the Trustee shall promptly notify the Owners of all Bonds called for redemption of such fact.

MUNICIPAL BOND INSURANCE

BOND INSURANCE POLICY

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

ASSURED GUARANTY MUNICIPAL CORP.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On June 29, 2015, S&P issued a credit rating report in which it affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On December 8, 2015, Moody's published a credit opinion maintaining its existing insurance financial strength rating of "A2" (stable outlook) on AGM. AGM can give no assurance as to any further ratings action that Moody's may take.

On December 10, 2015, KBRA issued a financial guaranty surveillance report in which it affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Capitalization of AGM

At March 31, 2016, AGM's policyholders' surplus and contingency reserve were approximately $3,742 million and its net unearned premium reserve was approximately $1,530 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of AGM, AGM's wholly owned subsidiary Assured Guaranty (Europe) Ltd. and 60.7% of AGM's indirect subsidiary Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (filed by AGL with the SEC on February 26, 2016); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 (filed by AGL with the SEC on May 5, 2016).

All consolidated financial statements of AGM and all other information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "MUNICIPAL BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "MUNICIPAL BOND INSURANCE".

SOURCE OF PAYMENT AND SECURITY FOR THE BONDS

College Loan Payments

On the date of issuance of the 2016 Bonds, the Authority and the College will enter into the Seventh Supplemental Loan Agreement pursuant to which the Authority will, among other things, lend the proceeds of the 2016 Bonds to the College. Under the Seventh Supplemental Loan Agreement, the College agrees to repay such loan in such amounts and at such times as will provide sufficient funds to, among other things, meet the debt service requirements on the 2016 Bonds. The College will deliver to the Authority the 2016 Note, which is a general obligation of the College, dated the date of delivery thereof, evidencing its payment obligation under the Loan Agreement with respect to the 2016 Bonds. The Bonds are limited obligations of the Authority, payable solely from (i) payments received from the College under the Seventh Supplemental Loan Agreement and the 2016 Note, and (ii) certain moneys held by the Trustee in funds established under the Indenture, if any, excepting, however, Debt Service Fund or Indenture funds pledged to any Additional Bonds (as defined in the Indenture) and the 2016 Rebate Fund.

The Bonds are secured under the Indenture by the assignment to the Trustee of all the right, title and interest of the Authority in and to the 2016 Note and the Seventh Supplemental Loan Agreement (except for the Authority's right to payment of certain fees and expenses and to indemnification) including amounts payable thereunder. The timely payment of all payments due under the Seventh Supplemental Loan Agreement and the 2016 Note is the unsecured general obligation of the College ranking on a parity with the Prior College Bonds (hereinafter defined below under the heading "**Additional Bonds**"). See "**WESTMORELAND COUNTY COMMUNITY COLLEGE – Long Term Indebtedness**" herein. **NEITHER THE AUTHORITY NOR THE COLLEGE HAVE TAXING POWER**.

THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM (I) PAYMENTS RECEIVED FROM THE COLLEGE UNDER THE SEVENTH SUPPLEMENTAL LOAN AGREEMENT AND THE 2016 NOTE, AND (II) CERTAIN MONEYS HELD BY THE TRUSTEE IN FUNDS ESTABLISHED UNDER THE INDENTURE, IF ANY, EXCEPTING, HOWEVER, SINKING OR INDENTURE FUNDS PLEDGED TO ANY ADDITIONAL BONDS (AS DEFINED IN THE INDENTURE) AND THE 2016 REBATE FUND. NEITHER THE PRINCIPAL OF OR REDEMPTION PRICE OF THE BONDS, NOR THE INTEREST ACCRUING ON THE BONDS, SHALL CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY OR AN INDEBTEDNESS OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER, CONSTITUTE OR GIVE RISE TO A GENERAL PECUNIARY LIABILITY OF THE AUTHORITY OR A PECUNIARY LIABILITY OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF, CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY OR THE GENERAL CREDIT OR TAXING POWER OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF, OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR AN OBLIGATION OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE AUTHORITY NOR THE COLLEGE HAVE TAXING POWER.

Additional Bonds

Upon compliance with the terms and obligations and conditions of the Indenture and the Loan Agreement, the Authority, at the request of the College, may issue Additional Bonds on parity with the 2016 Bonds and bonds issued pursuant to the: (a) Original Indenture (the "1995 F Bonds") which are no longer outstanding; (b) the First Supplemental Indenture (the "1998 Bonds") which are no longer outstanding; (c) Second Supplemental Indenture (the "1998Q Bonds") which are no longer outstanding; (d) Third Supplemental Indenture (the "2002 Bonds") which are no longer outstanding; (e) Fourth Supplemental Indenture (the "2004 Bonds") of which $525,000 are currently outstanding; (f) Fifth Supplemental Indenture (the "2008 Bonds") of which $6,030,000 are currently outstanding; (and of which only the Series A of 2008 in the amount of $1,135,000 will be outstanding after the issuance of the 2016 Bonds); (g) Sixth Supplemental Indenture (the "2012 Bonds" of which $17,585,000 are currently outstanding and together with the 1995F Bonds, 1998 Bonds, 1998Q Bonds, 2002 Bonds, 2004 Bonds, and 2008 Bonds, the "Prior College Bonds"), and the Bonds, issued pursuant to the Seventh Supplemental Indenture, for any purpose permitted under the Act. In connection with the issuance of Additional Bonds, additional funds may be established under the Indenture for the benefit of such additional series of bonds. In such event, the holders of the Bonds will have no claims or right to any such funds. In such event, the holders of the Bonds will have no claims or right to any such funds. For a further description of the conditions under which such Additional Bonds may be issued, see **"SUMMARIES OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND THE INDENTURE**" herein.

COMMUNITY COLLEGE FUNDING STRUCTURE

Local Sponsor Obligation

General: Under the Community College Act of 1963, as amended (the "Community College Act"), all community colleges must be supported by a local sponsor, which in the College's case is the County of Westmoreland (the "Local Sponsor").

Capital Expenses: The Local Sponsor is obligated under the Community College Act to pay up to one-half of the College's annual approved capital expenses (including debt service). The Local Sponsor, for their year ending December 31, 2016 and each year thereafter, is expected to contribute $1,511,694 for the College's Capital Appropriation. The College's remaining capital expenditures are funded through fees assessed upon students on a per credit basis and other revenues. The Commonwealth is also responsible for up to one-half of the annual capital expenses. See Appendix D "**SUMMARY OF OUTSTANDING DEBT SERVICE (BONDS ONLY)"**.

Operating Costs: The Community College Act stipulates that the local sponsor shall provide to the community college an amount at least equal to the community college's annual operating costs less the student tuition and less the Commonwealth's payment for operating costs. The County's fiscal year 2016 budget for the College's Operating Appropriation has been reduced from $2,234,236 in fiscal year 2015 to $2,055,153 in fiscal year 2016, for a total reduction of $179,083.

See “**WESTMORELAND COUNTY COMMUNITY COLLEGE – Budgetary Procedures**” herein for more specific information about local sponsor funding.

Taxing Power Regarding Community Colleges: The Community College Act authorizes, but does not require, the governing body of each College or municipality comprising a local sponsor of a community college to levy taxes annually on subjects of taxation as prescribed by law in such county or municipality for the purpose of establishing, operating and maintaining a community college. The tax levy authorized is in excess of and beyond the millage fixed or limited by law, subject to certain limiting provisions of the Community College Act. The applicable sponsor has not adopted nor proposes to adopt such a tax. **THE COLLEGE HAS NO TAXING POWER**.

THE LOCAL SPONSOR’S ABILITY TO BUDGET AND APPROPRIATE SUCH MONEYS AND TO MAKE SUCH PAYMENTS IS DEPENDENT UPON ITS OWN FINANCIAL CONDITION. EVEN THOUGH TIMELY PAYMENTS HAVE BEEN MADE BY THE LOCAL SPONSOR TO THE COLLEGE THROUGHOUT THE COLLEGE’S 46 YEAR HISTORY, NO REPRESENTATION CAN BE MADE OR ASSURANCE GIVEN THAT THE LOCAL SPONSOR WILL HAVE SUFFICIENT FUNDS IN ITS OPERATING BUDGET FOR EACH FISCAL YEAR DURING THE TERM OF THE BONDS TO PAY ITS PORTION OF THE COLLEGE’S OPERATING COSTS AND CAPITAL EXPENSES, INCLUDING DEBT SERVICE ON THE BONDS.

Commonwealth Obligation

General: The Community College Act provides for reimbursement by the Commonwealth of a portion of annual operating costs and a portion of annual approved capital expenses of community colleges.

Capital Expenses: The Community College Act provides that the Commonwealth will pay to a community college on account of its capital expenses (including debt service) an amount up to one-half of such college’s annual capital expenses from funds appropriated for that purpose to the extent that said capital expenses have been approved for such reimbursement by the Department and that such appropriated funds are available in the Commonwealth’s budget.

Operating Costs: The Community College Act provides that the Commonwealth will pay to a community college on account of its operating costs during the fiscal year, an amount from funds appropriated in the State Budget.

See “**WESTMORELAND COUNTY COMMUNITY COLLEGE – Budgetary Procedures**” herein for more specific information about Commonwealth revisions to the College’s funding formula.

ALL COMMUNITY COLLEGE SUBSIDIES IN THE COMMONWEALTH ARE SUBJECT TO APPROPRIATION BY THE PENNSYLVANIA GENERAL ASSEMBLY. ALTHOUGH THE CONSTITUTION OF THE COMMONWEALTH PROVIDES THAT “THE GENERAL ASSEMBLY SHALL PROVIDE FOR THE MAINTENANCE AND SUPPORT OF A THOROUGH AND EFFICIENT SYSTEM OF PUBLIC EDUCATION TO SERVE THE NEEDS OF THE COMMONWEALTH”, THE GENERAL ASSEMBLY IS NOT LEGALLY OBLIGATED TO APPROPRIATE SUCH SUBSIDIES AND THERE CAN BE NO ASSURANCE THAT IT WILL DO SO IN THE FUTURE. THE ALLOCATION FORMULA PURSUANT TO WHICH THE COMMONWEALTH DISTRIBUTES SUCH SUBSIDIES TO THE VARIOUS COMMUNITY COLLEGES THROUGHOUT THE COMMONWEALTH MAY BE AMENDED AT ANY TIME BY THE PENNSYLVANIA GENERAL ASSEMBLY. MOREOVER, THE COMMONWEALTH’S ABILITY TO MAKE SUCH DISBURSEMENTS WILL BE DEPENDENT UPON ITS OWN FINANCIAL CONDITION. AT VARIOUS TIMES IN THE PAST, THE ENACTMENT OF BUDGET AND APPROPRIATION LAWS BY THE COMMONWEALTH HAS BEEN DELAYED, RESULTING IN INTERIM BORROWING BY CERTAIN COMMUNITY COLLEGES PENDING THE AUTHORIZATION AND PAYMENT OF COMMONWEALTH AID. CONSEQUENTLY, THERE CAN BE NO ASSURANCE THAT FINANCIAL SUPPORT FROM THE COMMONWEALTH OF COMMUNITY COLLEGES, EITHER FOR CAPITAL PROJECTS OR EDUCATION PROGRAMS IN GENERAL, WILL CONTINUE AT PRESENT LEVELS OR THAT MONEYS WILL BE PAYABLE TO A COMMUNITY COLLEGE IF INDEBTEDNESS OF SUCH COMMUNITY COLLEGE IS NOT PAID.

Direct Payment of Commonwealth Appropriations to Trustee

Provisions of the Community College Act require that, should any community college fail to make its required debt service payment with respect to a general obligation note such as the 2016 Note, the Secretary of Education of the Commonwealth is required to withhold from such community college out of any subsidy payment of any type due such community college from the Commonwealth, an amount equal to the debt service payment owed by such community college. Any amounts so withheld are payable to the Trustee under the Indenture. Based on the College’s maximum annual debt service of $5,473,268 after issuance of the Bonds and the amount of Commonwealth operating and capital expense appropriations presently budgeted at $14,402,251 by the College for fiscal 2016-17, the Commonwealth coverage of the College’s maximum anticipated debt service would be approximately 2.63 times.

ADDITIONALLY, PROSPECTIVE PURCHASERS OF THE BONDS SHOULD TAKE NOTE OF THE FACT THAT THE COMMONWEALTH OF PENNSYLVANIA FAILED TO ADOPT A COMPLETE BUDGET FOR ITS FISCAL YEAR ENDING JUNE 30, 2016 UNTIL MARCH OF 2016. SUCH FAILURE HAS DRAWN INTO QUESTION BOTH THE FINANCIAL ABILITY OF, AND THE LEGAL COMPETENCY FOR, THE SECRETARY OF EDUCATION TO WITHHOLD AND PAY STATE APPROPRIATIONS IN SUPPORT OF THE DEBT SERVICE ON THE BONDS IN FUTURE YEARS, AND AS OTHERWISE REQUIRED BY THE SCHOOL CODE. MAJOR RATING AGENCIES HAVE RECENTLY WITHDRAWN OR REEVALUATED RATINGS ON OUTSTANDING INDEBTEDNESS OF A NUMBER OF PENNSYLVANIA SCHOOL DISTRICTS AS A RESULT OF THE DELAY BY THE COMMONWEALTH IN ADOPTING THE BUDGET AND THE RESULTING UNCERTAINTY. NO ASSURANCES CAN BE GIVEN REGARDING THE ABILITY OF THE SECRETARY OF EDUCATION TO WITHHOLD AND PAY STATE APPROPRIATIONS IN SUPPORT OF DEBT SERVICE ON THE BONDS IN FUTURE YEARS IF THE COMMONWEALTH AGAIN EXPERIENCES SIGNIFICANT DELAYS IN ADOPTING A BUDGET.

Pennsylvania Department of Education Project Approval

As discussed in the Commonwealth Obligation section mentioned above, the Community College Act provides that the Commonwealth will reimburse a community college up to one-half of the annual cost on certain capital projects assuming that said capital projects have been approved by the Department of Education.

In connection with the issuance of the Series B Bonds whose proceeds will be used to currently refund all of the outstanding 2008B Bonds, the Department of Education has already approved the projects related to the 2008B Bonds and is currently providing 50% reimbursement of the annual debt service cost associated with the 2008B Bonds. The College has submitted a letter to the Department of Education seeking approval for the refunding of the 2008B Bonds. The Department of Education has already approved the refunding. Accordingly, following the issuance of the Bonds, it is expected that the Commonwealth will reimburse an amount equal to 50% of the annual debt service costs of the Series B Bonds, which amounts will be available to pay debt service on the Bonds (subject to appropriation risk).

SUMMARIES OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT AND THE INDENTURE

The following are summaries of certain provisions of the Loan Agreement and the Indenture. These summaries do not purport to be and should not be regarded as complete statements of the terms of the Loan Agreement or the Indenture or as complete statements of the provisions summarized. Reference is made to the documents in their entirety, copies of which may be obtained from the Trustee, for a complete statement of the terms and conditions therein.

The Loan Agreement

In connection with the issuance of the Bonds, the Authority will enter into the Seventh Supplemental Loan Agreement, pursuant to which the Authority will loan the proceeds of the Bonds to the College. The Seventh Supplemental Loan Agreement requires the College to make loan repayments to the Authority in amounts sufficient to pay, among other things, the debt service payments on the Bonds. The obligation of the College to the Authority under the Seventh Supplemental Loan Agreement will be evidenced by the 2016 Note.

Source of Debt Service Payments. The debt service payments are payable by the College from its general revenues, from whatever source derived. The College covenants to include in its budget for each fiscal year during the term of the Seventh Supplemental Loan Agreement the amount of loan payments required to be paid to the Authority with respect to the 2016 Note and the Seventh Supplemental Loan Agreement in such fiscal year.

If the College defaults in its payments on the 2016 Note in any fiscal year because its revenues in such fiscal year are insufficient to pay its obligations as they become due and payable, the Authority shall notify the Secretary of the Department of Education of such default and request that the Secretary of the Department withhold out of any appropriation due the College under the Community College Act an amount equal to the sum or sums owing by the College to the Authority under the Seventh Supplemental Loan Agreement and the 2016 Note, and to pay over to the Trustee, as sinking fund depository for the 2016 Note, the amount so withheld.

Assignment of the Seventh Supplemental Loan Agreement. The Loan payments shall be paid by the College directly to the Trustee under an assignment by the Authority to the Trustee of such payments and the 2016 Note for the benefit and security of the Bondholders under the Indenture.

Unsecured General Obligation. Payment of the principal and redemption price of and interest due under the 2016 Note, which correspond in amounts and time of payment with those due on the 2016 Bonds, and Seventh Supplemental Loan Agreement and all other sums payable under the Loan Agreement are the unsecured general obligations of the College. The payments are required to be made in full directly to the Trustee, as assignee, when due without delay or diminution for any cause whatsoever, including, without limitation, destruction of the College's facilities, and without right of set-off for default on the part of the Authority under the Seventh Supplemental Loan Agreement. The College's obligations under the Loan Agreement and the 2016 Note are not secured by any mortgage or other lien on any real or personal property of the College. **THE COLLEGE HAS NO TAXING POWER.**

Annual Audit. The College covenants to keep accurate records and books of account with respect to the Project (as defined in the Seventh Supplemental Loan Agreement) and shall furnish to the Authority a copy of its annual audited financial statements within 30 days of the availability of such statements, and copies of all financial statements required to be submitted by the College to the Department under the laws of the Commonwealth.

The Indenture

LIMITED OBLIGATION OF THE AUTHORITY. **THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE SECURED BY AND PAYABLE FROM THE PAYMENTS TO BE MADE BY THE COLLEGE UNDER THE 2016 NOTE AND THE LOAN AGREEMENT. NEITHER THE PRINCIPAL OR REDEMPTION PRICE OF THE BONDS, NOR THE INTEREST THEREON, SHALL CONSTITUTE A GENERAL INDEBTEDNESS OF THE AUTHORITY OR AN INDEBTEDNESS OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER; CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY OR THE GENERAL CREDIT OR TAXING POWER OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF; OR BE DEEMED TO BE A GENERAL OBLIGATION OF THE AUTHORITY OR OBLIGATION OF THE COMMONWEALTH OF PENNSYLVANIA OR ANY POLITICAL SUBDIVISION THEREOF. THE AUTHORITY HAS NO TAXING POWER.**

Pledge of Certain Revenues. The Authority in the Indenture has pledged and assigned and granted to the Trustee a security interest in all loan payments, and other sums payable by the College under the Seventh Supplemental Loan Agreement and the 2016 Note, for the benefit and security of the registered owners of the Bonds issued under the Indenture.

Revenue Fund. All loan payments by the College under the Seventh Supplemental Loan Agreement and the 2016 Note are required to be deposited in the Revenue Fund established under the Indenture with the Trustee on or before the date of any required or permitted payment of principal of or interest on the Bonds. Moneys in the Revenue Fund established under the Indenture are required to be transferred by the Trustee at the times set forth in the Indenture to the various other funds established under the Indenture.

Project Fund. The Trustee shall transfer to the Project Fund established under the Indenture the amount designated for both the Project and Refunding Program purposes of the Bonds.

Debt Service Fund. The Trustee shall transfer to the Debt Service Fund established under the Indenture from moneys in the Revenue Fund, moneys in an amount sufficient to make the interest payments and principal payments on the Bonds when due.

Rebate Fund. Under the Indenture a Rebate Fund is established. The Authority will periodically and upon retirement of the last of the Bonds determine the sum required to be deposited in the Rebate Fund, if any, and direct the Trustee to transfer such sum from other funds and accounts established under the Indenture. The Authority will direct the Trustee to pay to the United States Government the sums on deposit in the Rebate Fund at the times and in the amounts, if any, required by the Internal Revenue Code of 1986, as amended. Also, under the Seventh Supplemental Loan Agreement the College is obligated to make rebate payments as required. All amounts in the Rebate Fund shall be held by the Trustee free and clear of the lien of the Indenture.

Investment of Funds. Moneys held in the funds and accounts established under the Indenture may and, upon instructions of the Authority shall, be wholly or partially deposited and redeposited by the Trustee in Investment Securities with any authorized depository, which deposits, to the extent not insured, shall be secured as provided by the Indenture, or invested or reinvested by the Trustee at the direction of the Authority solely in obligations which meet the requirements set forth in the Indenture, subject to limitations provided in the Indenture.

Additional Bonds. The Indenture permits the Authority to issue one or more series of Additional Bonds thereunder from time to time to: (i) pay the Costs of undertaking or completing any College Project; and (ii) pay the Cost of refunding all or a portion of bonds outstanding under the Indenture and issued on behalf of the College or any other obligation of the College.

Default and Remedies. The Act provides certain remedies to the Bondholders in the event of default or failure on the part of the Authority to fulfill its covenants under the Indenture.

Under the Indenture, upon the occurrence of an Event of Default (as defined therein) the Trustee may enforce, and upon the written direction of the Insurer (as defined therein) or the written request of the holders of 25% in principal amount of the bonds then outstanding, under the Indenture, accompanied by indemnity as provided in the Indenture, shall enforce for the benefit of all Bondholders all their rights to bringing suit, action or proceeding at law or in equity and of having a receiver appointed. For a more complete statement of rights and remedies of the Bondholders and of the limitations thereon, reference is made to the Indenture.

Annual Audit. The Authority covenants that it will keep proper books of record and account in which complete and correct entries shall be made of all transactions of the Authority and which, at all reasonable times, will be subject to the inspection of the Trustee or its representative duly authorized in writing.

Modifications and Amendments. Amendments to the Indenture are permitted without consent of Bondholders for certain purposes, including the imposition of additional restrictions and conditions respecting issuance of bonds, the addition of covenants and agreements by the Authority, the modification of the Indenture to conform the same with governmental regulations (so long as the rights if Bondholders are not adversely affected thereby), the curing of any ambiguity, defect or inconsistency in the Indenture, and the making of provision for matters which are necessary or desirable and which do not adversely affect the interests of Bondholders. Certain other modifications may be made to the Indenture, but only with the consent of the Insurer and owners of not less than 66 2/3% in principal amount of outstanding bonds issued under the Indenture.

BONDHOLDERS' RISKS

The Bonds are limited obligations of the Authority and are payable solely from payments made pursuant to the Loan Agreement and from certain funds held by the Trustee pursuant to the Loan Agreement. No representation or assurance can be given to the effect that the College will generate sufficient revenues to meet the College's payment obligations under the Loan Agreement and the 2016 Note.

Future legislation, regulatory actions, economic conditions, changes in private philanthropy, changes in the number of students in attendance at the College, competition or other factors could adversely affect the College's ability to generate revenues. Neither the Underwriter nor the Authority has made any independent investigation of the extent to which any of these factors could have an adverse impact on the revenues of the College. Additionally, Commonwealth subsidies are subject to annual appropriation. See "**COMMUNITY COLLEGE FUNDING STRUCTURE**" herein.

Potential Effects of Bankruptcy

If the College were to file a petition for relief under Chapter 11 of the United States Code, as amended (the "Bankruptcy Code"), the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against the College and its property. If the bankruptcy court so ordered, the College's property, including its revenues, could be used for the benefit of the College despite the claims of its creditors (including the Trustee.)

In a bankruptcy proceeding, the College could file a plan for the adjustment of its debts which modifies the rights of creditors generally or the rights of any class of creditors, secured or unsecured. The plan, when confirmed by the court, would bind all creditors who had notice or knowledge of the plan and discharge all claims against the debtor provided for in the plan. No plan may be confirmed unless, among other conditions, the plan is in the best interest of creditors, is feasible and has been accepted by each class of claims impaired thereunder.

Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and does not discriminate unfairly.

Enforceability of Remedies

The remedies available to Bondholders upon an Event of Default under the Loan Agreement are in many respects dependent upon judicial action which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the Bankruptcy Code, the remedies specified in the Loan Agreement may not be readily available or may be limited. A court may decide not to order specific performance.

The various legal opinions to be delivered concurrently with the original delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors' rights.

No Liens on College Facilities

The College has not given or granted a mortgage lien or other security interest or encumbrance upon any facilities or revenues of the College to secure its payment obligations under the Loan Agreement.

Accreditation

The College is currently fully accredited by its regional accreditor, Middle States Commission on Higher Education. See "**WESTMORELAND COUNTY COMMUNITY COLLEGE—Accreditation**" herein. However, such accreditation is subject to periodic review and no assurances can be given that such accreditation may not, in the future, be suspended or withdrawn, due to a failure by the College to maintain one or more standards of excellence necessary to support its current accreditation status. Any such suspension or withdrawal, if it were to occur, could be expected to have an adverse effect on pupil enrollments.

Bond Insurance Risk Factors

The College has purchased the Policy to guarantee the scheduled payment of principal and interest on the Bonds. As such, the following are risk factors relating to the bond insurance.

In the event of a failure of the Authority to make a scheduled payment of principal or interest with respect to the Bonds when all or some becomes due, the Trustee on behalf of any owner of the Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure the payment of redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds which is recovered from the Bondholder as a voidable preference under applicable bankruptcy law is covered by the Policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absence such prepayment unless the Insurer, in its discretion, chooses to pay such amounts at an earlier date.

Default of payment of principal and interest does not result in an acceleration of the obligations of the Insurer unless the Insurer consents thereto. The Insurer may direct and must consent to any remedies and the Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength and claim paying ability of the Insurer. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "**BOND RATING**" herein.

The obligations of the Insurer are unsecured obligations of the Insurer and upon any default by the Insurer, the remedies available may be limited by applicable insurance law or other laws related to insolvency.

Neither the College, the Underwriter nor the Authority have made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the College to pay principal and interest on the Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See "**MUNICIPAL BOND INSURANCE**" herein for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

Other Risk Factors

In the future, the following factors, among others, may adversely affect the revenues or operations of the College to an extent that cannot be determined at this time.

(a) Changes in the demand for higher education in general or for programs offered by the College in particular.

(b) Competition from other educational institutions.

(c) Higher interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures.

(d) Increasing costs of compliance with governmental regulations, including accommodations for handicapped or special needs students, and costs of compliance with the changes in such regulations.

(e) A decline in the market value of the College's investments or a reduction in the College's ability to generate unrestricted revenue from its investments.

(f) Increased costs and decreased availability of public liability insurance.

(g) Employee strikes and other adverse labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs.

(h) Cost and availability of energy.

(i) An increase in the costs of health care benefits, retirement plans, or other benefit packages offered by the College to its employees and retirees.

(j) The occurrence of natural disasters, including floods and hurricanes and pandemics and similar events, which might damage the facilities of the College, interrupt service to such facilities or otherwise impair the operation and ability of such facilities to produce revenue.

(k) Decreases in student retention and graduation rates

(l) Unknown Litigation

(m) Safety and security incidents including data breaches

(n) Factors that may adversely affect the College's reputation and image

The foregoing is NOT an exhaustive list of all possible factors that could adversely impact the ability of the College to make payments on the 2016 Note and under the Loan Agreement, which are the source of payment of the Bonds.

WESTMORELAND COUNTY COMMUNITY COLLEGE

Introduction

Founded in 1970, Westmoreland County Community College enrolls approximately 6,000 students each fall and spring semester in more than 65 career preparation and associate to baccalaureate degree transfer programs. As an Achieving the Dream Leader College, WCCC is focused on student learning and success. Classes are conducted at the main campus in Youngwood, the Advanced Technology Center in Mt. Pleasant and education centers in Belle Vernon, Export, Latrobe, New Kensington, Indiana, Uniontown and Waynesburg, as well as online, The college also offers short-term job training programs through its Workforce and Continuing Education divisions. WCCC is accredited by the Commission on Higher Education of the Middle States Association of Colleges and Schools.

WCCC began its operation in January 1971 with rented classrooms at local high schools. In 1972, the WCCC found a permanent home in the former Westinghouse manufacturing facility in Youngwood, Pennsylvania. This facility, now known as Founders Hall, has been renovated and remodeled several times since then to accommodate a growing student body and expanded academic curriculum.

The Youngwood Campus occupies 110 acres in central Westmoreland County, six miles from Greensburg, the County seat. The Youngwood campus currently contains 60 classrooms, 28 laboratories and six multi-purpose instructional rooms in four buildings - Founders Hall, Commissioners Hall, Science Hall, and the renovated Business and Industry Center. In addition to housing the instructional and administrative functions, the main campus is also the location of the college library, Learning Assistance Center, bookstore, Child Development Center, gymnasium, theater and modern athletic field complex.

Along with the Youngwood campus, WCCC operates education centers in six areas of Westmoreland County – the Advanced Technology Center in Mt. Pleasant, the New Kensington Center in the City of New Kensington, the Bushy Run Center in Penn Township, the Center in the City of Latrobe, the Mon Valley Center in Belle Vernon and the Public Safety Training Center in South Huntingdon Township in the County of Westmoreland. Additional education centers have been established in Greene County, Indiana County and Fayette County. The physical facilities have been designed to accommodate future changes and expansion.

Mission Statement – WCCC improves the quality of life of everyone we touch through education, training and cultural enrichment.

Vision Statement – WCCC is a learning-centered college focused on student success, a catalyst for economic growth, a leader in workforce development, and a hub for cultural and artistic experiences.

Core Values – WCCC has a framework of cultures and values that embraces:

1. Commitment to Teaching and Learning (personal attention, individual choices, academic excellence, adaptive, promotes curiosity)
2. Accountability (responsibility, stewardship of resources, empowerment, results-oriented)
3. Diversity (respect for self and others, inclusion, value uniqueness)
4. Collaboration and Cooperation (teamwork, community partnerships)
5. Social Responsibility (promote active interest, awareness of world, being a good steward)
6. Integrity (honesty, ethical standards, dedication)
7. Innovation (creativity, commitment to growth, forward thinking)

Education Centers

<u>Advanced Technology Center</u>

Occupying 73,500 square-feet of space, the ATC provides affordable, hands-on learning to prepare WCCC students and incumbent workers for high-demand, technically oriented careers, in manufacturing, energy and other industry sectors. The facility features classrooms, specialized labs for hands-on training, open, flexible instructional space which allows for collaborative learning, corporate suites and conference areas.

The ATC houses college programs previously located in 26,000-square-feet of space at the WCCC Youngwood campus, including Applied Industrial Technology, Computer Numerical Control, Drafting and Design, Electrical Utility Technology, Electronics, Manufacturing Technology, Mechatronics, Natural Gas and Oil, Welding and others. The Center opened in August of 2014.

<u>New Kensington Education Center</u>

The New Kensington Center, establishment in 1987, is located in downtown New Kensington and serves the northern portion of Westmoreland County. The center houses classrooms, computer labs, a science lab, offices, a student lounge and the local Team Pennsylvania Career Link.

Mon Valley Education Center

To better serve the residents of the Mon Valley, WCCC established an education center in the area in 1988. The center was relocated in 1990 to its present site at Fellsburg Road in Belle Vernon. The center houses classrooms, a computer laboratory, offices and a student lounge. Enrollment at the Mon Valley Center has been steady.

Latrobe Education Center (formerly the Laurel Education Center)

Since its establishment in 1989, the Laurel Education Center has become the College's largest center based on an enrollment in excess of 900 registrants. As a result, it has been necessary to expand the facilities two times since its establishment. This center was closed in August, 2015 and a new center known as the Latrobe Education Center was opened in August, 2015. A portion of the Series B Bonds will be used to complete the construction and equipping thereof.

Bushy Run Education Center

The Bushy Run Center has been serving residents of the western part of the County since December 1991. In 2000 the size of the Center was expanded to meet enrollment needs.

Greene County Education Center

In 1999, WCCC entered into an agreement with the Greene County Education Consortium, with sponsorship funds from the Greene County Commissioners, to conduct credit classes at the county's five high schools and career and technology center. Growth in the Greene County Center enrollment and curriculum – including a nursing program – drove the college to seek a permanent home. In 2006, the WCCC Greene County Education Center opened in Ever-Greene Technology Park, Waynesburg with state grant and private foundation funding helping to pay some of the nursing program costs. With approximately 200 degree-seeking students enrolled and workforce development training programs offered for the health care, mining, oil and gas industries, the Greene County Center needs additional classroom space.

Indiana County Education Center

With sponsorship funding from the Indiana County Commissioners, WCCC conducted its first classes at Indiana County high schools in June 2000. One year later, the Indiana County Community College Center relocated to its permanent home in a 9,000-square-foot building in an industrial park. To meet community needs, the college established a nursing program at the Indiana Center and renovated the building's second floor to accommodate growing student enrollment.

Fayette County Education Center

To meet the educational and job skills training needs of an area underserved by postsecondary institutions, WCCC opened the Fayette County Education Center in January 2008. Local businessman, Joe Hardy, provided scholarship funding for two years to help Fayette County students in financial need. The College leased 4,760 square feet within the Fayette Community Action Agency campus in Uniontown, the center comprises traditional and computer classrooms and offers courses for career preparation, job skills advancement and transfer to four-year colleges. The college has leased an additional 732 square feet of space to accommodate the enrollment growth.

Public Safety Training Center

The Regional Public Safety Training Center located on a 166 acre site in South Huntingdon Township, Westmoreland County. The Center addresses the training needs of all areas of emergency services (fire, police, EMT etc.). In addition, it also serves the safety training needs of the corporate community as well. A firing range, Class A burn building and a search and rescue rubble pile were constructed and became operational in January of 2008.

Distance Learning

To facilitate learning for students at remote sites, WCCC developed a distance learning system. Interactive audiovisual equipment link the Youngwood campus with the education centers, as well as other sites, providing two-way communication. A class or training program is conducted at two or more sites simultaneously, enabling the instructor to communicate with students at all facilities. The addition of a distance learning system enables WCCC to carry out its mission of providing "access to quality educational opportunities that meet the diverse needs and interests of the communities we serve." The majority of this project was funded by a Carl Perkins Grant. In addition the College offers courses online.

Accreditation

WCCC is fully accredited by Middle States Association of Colleges and Schools, the accrediting association for institutions of higher education in the region. In 2014, the Middle States Association reaffirmed the College's accreditation for another ten years. Programs at the College are approved by the Pennsylvania State Department of Education for veteran's educational benefits. In addition, some programs carry specific approval by national and local professional accrediting organizations.

The following programs have earned special accreditation by the agencies named: Culinary Arts - American Culinary Federation Education Foundation Accreditation Commission; Dental Hygiene - Commission on Dental Accreditation of the American Dental Association; Dental Assistant - Commission on Dental Accreditation of the American Dental Association; Diagnostic Medical Sonography (Ultrasound Technology) - Commission on Accreditation of Allied Health Education Programs; Medical Assisting (Certificate and Associate Degree) - Commission on Accreditation of Allied Health Education Programs; Practical Nursing - Pennsylvania State Board of Nursing; National League for Nursing Accrediting Commission; Registered Nursing - Pennsylvania State Board of Nursing; National League for Nursing Accrediting Commission.

Programs

WCCC offers a broad range of academic programs that prepare students for transfer to four-year universities or for immediate employment in vocational and technical fields. Students have the opportunity to earn associate in arts degrees and associate in applied science degrees, as well as diplomas and certificates in approximately 100 programs of study. The programs are periodically reviewed and revised by the faculty to keep up with changes in technology and the demands of the current job market.

To simplify the transfer process for students, WCCC maintains matriculation agreements with a number of area colleges and universities ensuring that credits earned at WCCC will transfer to those institutions.

Services

To help students achieve their educational and career goals, WCCC provides a comprehensive student support services program including academic and career counseling, tutoring, childcare, financial aid and placement. A varied activities program offers students opportunities to participate in intercollegiate and intramural athletics, student government, and a growing selection of clubs and organizations that complement the educational experience.

Governing Structure

A fifteen-member Board of Trustees governs the College's operations. Trustees are appointed to a six-year term by the Westmoreland County Board of Commissioners (the "County"). In addition to appointing trustees, the County approves the College's annual budget (**see "Budgetary Procedures" herein**). Trustees may serve more than one term upon reappointment by the County. The term of office of each Trustee expires on June 30 of each year. Officers of the Board of Trustees are elected annually by their peers in July of each year.

Employees

The College employs or has employed the following number of employees in each of the fiscal years set forth below:

Employees	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Faculty (Full-time)	90	91	91	87	91	84
Faculty (Part-time)....................................	481	409	341	339	314	265
Administrators	32	33	33	34	35	30
Support Staff	87	91	94	96	98	92

Source: The College.

Labor Relations

The College enjoys a positive employee relations climate with a dedicated and loyal staff. Labor contracts with the faculty's union, the Westmoreland County Community College Professional Association, are three years in length and the current contract expires June 30, 2018. Labor contracts with the support staff's union, the Clerical and Maintenance Employee Support Personnel Association, are three years in length and the current contract expires June 30, 2018. Both unions are PSEA/NEA affiliates.

Pension Program

The College provides certain retirement benefits, including post-employment health benefits, and multiemployer contributory pension plans, to its employees for which it has accrued liabilities. See APPENDIX A "**WESTMORELAND COUNTY COMMUNITY COLLEGE FINANCIAL STATEMENTS Year ended June 30, 2015**" Note 13 Page 38 "**RETIREMENT PLANS",** Note 14 Page 39 "**PSERS AND SERS PENSION PLAN"** and Page 53 of required supplemental information of the College's audited financial statements.

Enrollment

The College experienced student credit hour decline in 2014/15. There was a 7.3% decline in sponsored student credit hours and 15.0% decline in non-sponsored and out of state student credit hours.

The College's enrollment for each of the fiscal years set forth below is or was as follows:

	Semester Headcount			Full Time Equivalent		
Fiscal Year	**Credit**	**Non-Credit**	**Total**	**Credit**	**Non-Credit**	**Total**
2010-11	19,341	13,068	32,409	6,479	571	7,050
2011-12	17,927	12,352	30,279	5,903	530	6,433
2012-13	16,979	12,521	29,500	5,560	542	6,102
2013-14	15,621	10,859	26,480	5,200	433	5,633
2014-15	14,300	10,461	24,761	4,721	391	5,112

The drop in enrollment is related to a decrease in the high school graduating class sizes.

Source: The College.

Budgetary Procedures

The College's annual operating and capital budget is prepared by the Vice President of Administrative Services in consultation with the President's Cabinet. A preliminary forecast is developed and submitted to the Pennsylvania Department of Education ("PDE") the September prior to the start of the fiscal year (which begins the following July 1). The budget is developed over the course of the year, and is then submitted to the Board of Trustees for approval, at its June regular meeting. After the close of the fiscal year, the College's financial statements are audited by an independent audit firm which also provides an agreed upon procedures report.

The three major sources of revenue for the College's budget are the Commonwealth of Pennsylvania, the Local Sponsor (Westmoreland County), and student tuition and fees. Operating funds from the Commonwealth are allocated a specified basic subsidy. The Commonwealth may provide one-half of approved capital costs, although funding approval of the Commonwealth's share of new facilities and equipment outlays is contingent upon available funding in the PDE's annual budget appropriation.

Under Act 46 passed by the State Legislature in July 2005, operating budget funding for Pennsylvania Community Colleges was changed from formula funding based upon FTE enrollments taught in the current fiscal year to an annual appropriation provided at the start of the fiscal year. The appropriation amount has three components: a base allocation equal to prior year base allocation plus any adjustment occurring through the state budget process, a small amount of additional funding if enrollments grew between the last two audited years, and economic development program funding based upon FTEs taught by the College in high priority program areas in the prior fiscal year. Economic development funding is distributed proportionately based upon each college's share of the total FTEs taught. The Commonwealth also provides one-half of approved capital costs, including debt service payments, and eligible capital purchases and equipment and property leases. Total projected Commonwealth funding for the 2016-17 year is $14,402,251.

The Local Sponsor is the County of Westmoreland, which provides an annual appropriation for the College through its operating budget. These funds are provided through the County's general revenues, including property and other local taxes. The annual appropriation for the College for calendar year 2010 was $4,390,013, for 2011 was $4,390,582, for 2012 was $3,925,491, for 2013 was $3,925,491, for 2014 was $3,925,491, for 2015 was $3,568,182 and for 2016 is $3,566,846. Through the annual budget process, the College first allocates from the county appropriation sufficient funds to balance the capital budget, after Commonwealth and other funding sources have been taken into account. The balance of the available appropriation is then applied to the operating budget.

Student tuition and fees are set by the College's Board of Trustees, usually in the winter or early spring of each year. Under the Community College Act, no more than one-third of the College's operating expenses can be secured from student tuition. Tuition revenues in excess of one third of the operating expenditures are to be deposited in a special reserve account. Transfers can then be made from this reserve account to help stabilize the operating budget during the years when the tuition revenues are less than one-third of the operating expenditures. Tuition revenues for the College are currently budgeted at slightly less than one-third, and the Tuition Compliance Reserve account presently has no accumulated balance. A special $6 per credit hour capital fee is charged to students from outside boundaries of the Local Sponsor. The College's tuition rate for FY2014-15 was $98 per credit hour for students from the Local Sponsor, $196 per credit hour for students from non-sponsoring Pennsylvania school districts, and $294 per credit hour for students from outside Pennsylvania. The College's tuition rate for FY2015-16 is $122 per credit hour for students from the Local Sponsor, $244 per credit hour for students from non-sponsoring Pennsylvania school districts, and $366 per credit hour for students from outside Pennsylvania. There is also a general fee of $39 per credit hour. In addition, special laboratory fees are charged for a variety of scientific, technical, and occupational courses. (See "**Student Tuition and Fees**" herein)

The College also receives revenues and incurs expenditures for a variety of grant and contract programs. Account balances are invested and earn interest through insured and collateralized bank accounts or U.S. Treasury securities.

Implementation of and compliance with the College's approved budget as set forth by the College's Board of Trustees is the responsibility of the Vice President of Administrative Services as delegated by the President.

Accounting Matters

The College's financial statements are prepared in accordance with Government Accounting Standards Board (GASB) standards.

The College has adopted GASB Statements No. 34 and 35 (as amended by GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*), and No. 38, *Certain Financial Statement Note Disclosures.* These statements establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a basis to focus on the College as a whole.

Potential purchasers of the Bonds should read the College's audited financial statements for the year ended June 30, 2015 in their entirety for more complete information regarding the College's financial position, results of its operations and changes in its accounting and reporting methods. The report of the College's independent accountants, together with the College's financial statements as of June 30, 2015 and the related notes to financial statements are included in Appendix A of this Official Statement.

In the opinion of the administration of the College, there has been no material adverse change in the financial condition of the College since June 30, 2015, the most recent date of audited financial statements.

The following tables set forth a summary of the College's "**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS" and "STATEMENT OF NET ASSETS**" for each of the fiscal years set forth, which are all derived from audited financial statements, a summary of the College's 2015-16 Operating Budget and Projected Actual FY 2015/16 vs. Proposed FY 2016/17 Budget. For a more complete discussion of the College's financial position and results of operations at June 30, 2015 see "**MANAGEMENT'S DISCUSSION AND ANALYSIS**" included in the financial information included in Appendix A hereto.

The financial statements ending June 30, 2012, 2013, and 2014 were audited by Deluzio & Company, LLP, Certified Public Accountants and Business Advisors, Greensburg, PA. The financial statements ending June 30, 2015 were audited by Schneider Downs & Co., Inc, Pittsburgh, PA.

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WESTMORELAND COUNTY COMMUNITY COLLEGE
COMPARATIVE STATEMENT OF NET POSITION *
AS OF JUNE 30,

	2011	2012	2013	2014	2015
Assets:					
Current Assets:					
Cash and cash equivalents	16,538,861	17,440,588	18,787,215	17,488,971	11,426,623
Investments - short term	1,800,000	1,200,000	900,000	900,000	700,000
Student Accounts Receivable, net	983,964	850,599	745,522	876,330	182,614
Contributions and Other receivables	1,530,134	1,632,447	1,956,405	2,056,316	1,891,789
Prepaid expenses	8,447	5,426	26,015	48,600	399,396
Inventories	626,451	800,368	791,699	773,804	803,294
Total Current Assets	21,487,857	21,929,428	23,206,856	22,144,021	15,403,716
Non-Current Assets:					
Capital assets, net	30,420,773	30,476,805	31,576,900	43,815,218	55,344,665
Investments - long term	300,000	900,000	1,200,000	800,000	1,000,000
Investment income receivable	30,809	12,416	17,218	4,233	0
Restricted cash	566,826	16,492,001	14,780,387	4,023,851	0
Contributions and Other assets	83,011	173,014	25,776	(37,093)	0
Total Non-Current Assets	31,401,419	48,054,236	47,600,281	48,606,209	56,344,665
Total Assets	52,889,276	69,983,664	70,807,137	70,750,230	71,748,381
Deferred Outflows of Resources:					
Deferred amounts from debt refunding	189,968	354,694	311,062	267,430	223,798
Deferred amounts related to pensions	0	0	0	0	695,762
Total Deferred Outflows of Resources	189,968	354,694	311,062	267,430	919,560
Total Assets and Deferred Outflows	53,079,244	70,338,358	71,118,199	71,017,660	72,667,941
Liabilities:					
Current Liabilities:					
Accounts Payable	423,692	288,475	464,965	257,303	532,206
Current portion - long term debt	2,355,000	3,270,000	3,375,000	3,495,000	3,622,003
Accrued Liabilities	1,004,807	949,621	1,413,946	2,785,367	1,784,269
Payroll Liabilities	1,523,855	1,781,132	2,113,950	2,237,847	2,249,393
Compensated Absences	411,134	376,695	379,021	427,242	428,867
Deferred Revenues	227,290	232,316	210,901	155,803	185,744
Total Current Liabilities	5,945,778	6,898,239	7,957,783	9,358,562	8,802,482
Non-Current Liabilities:					
Net Pension Liability	0	0	0	0	9,650,244
Long term debt, net of current portion	20,356,531	34,338,838	30,955,841	27,452,844	23,822,844
Total Non-Current Liabilities	20,356,531	34,338,838	30,955,841	27,452,844	33,473,088
Total Liabilities	26,302,309	41,237,077	38,913,624	36,811,406	42,275,570
Deferred Inflows of Resources:					
Deferred inflows related to pension liability	0	0	0	0	2,604,786
Total Deferred Inflows	0	0	0	0	2,604,786
Net Position:					
Net Invested in capital assets	8,466,036	9,714,662	12,337,508	17,158,656	28,123,616
Restricted					
Expendable	0	0	0	0	0
Nonexpendable	0	0	0	0	0
Unrestricted	18,310,899	19,386,619	19,867,067	17,047,598	(336,031)
Total Net Position	26,776,935	29,101,281	32,204,575	34,206,254	27,787,585
Total Liabilities, Deferred Inflow of Resources and Net Position	53,079,244	70,338,358	71,118,199	71,017,660	72,667,941

* The comparative financial information provided is formatted to be in alignment with the 2015 fiscal year Audited Financial Statements.

Source: College Financial Statements for the years ended June 30, 2012 to and including June 30, 2015.

WESTMORELAND COUNTY COMMUNITY COLLEGE
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION *
AS OF JUNE 30,

	2011	2012	2013	2014	2015
Revenues:					
Operating Revenues					
Student tuition and fees	20,610,702	19,576,728	20,669,817	19,774,782	19,709,046
Less: Other scholarships	(6,684,367)	(5,536,136)	(4,930,413)	(4,728,664)	(3,499,215)
Net student tuition and fees	13,926,335	14,040,592	15,739,404	15,046,118	16,209,831
Governmental, other grants, and Contributions	8,342,410	5,406,788	8,389,185	6,026,471	5,151,170
Auxiliary Enterprises					
Bookstore	4,908,672	4,577,704	4,623,921	4,348,433	3,917,788
Auxiliary	775,781	685,017	613,224	555,997	408,210
Other operating revenues,	1,240,534	1,242,765	1,104,662	1,063,786	1,173,964
Total Operating Revenue	29,193,732	25,952,866	30,470,396	27,040,805	26,860,963
Expenses:					
Educational and general					
Instruction	17,037,062	17,086,426	16,787,128	16,919,191	16,043,763
Academic support	2,698,728	2,659,832	2,655,760	2,763,153	2,676,968
Student services	3,338,483	3,327,202	3,375,227	3,657,084	4,115,641
Institutional support	5,495,582	5,742,361	6,081,111	6,419,154	6,329,255
Operation and facilities	4,298,464	3,661,835	4,092,518	4,430,429	5,192,636
Governmental grants, net of allowances	15,324,761	12,463,143	14,290,308	11,280,394	11,732,339
Depreciation	2,835,071	2,858,662	2,920,958	2,918,275	3,107,883
Amortization	93,902	86,726	68,193	355,011	705,577
Auxiliary Enterprises					
Bookstore	4,365,763	3,971,700	3,946,857	3,821,221	3,509,442
Auxiliary	1,152,375	1,109,374	1,041,660	1,041,880	1,041,712
Total Operating Expenses	56,640,191	52,967,261	55,259,720	53,605,792	54,455,216
Operating (Loss) Income	(27,446,459)	(27,014,395)	(24,789,324)	(26,564,987)	(27,594,253)
Nonoperating Revenues (Expenses):					
State appropriations	11,176,586	11,069,629	11,069,629	11,069,629	11,252,236
Local appropriations	2,070,867	1,820,867	1,586,900	1,602,693	1,423,370
State and local capital appropriations	4,024,373	4,390,162	4,292,869	4,693,386	4,693,763
Federal PELL grants	13,799,674	12,366,397	10,846,212	10,043,091	9,132,510
Other capital grants	385,881	454,198	635,862	1,501,010	1,685,695
Investment income	102,025	59,197	55,199	33,877	28,636
Interest on capital assets-related debt	(1,042,515)	(958,195)	(753,430)	(655,324)	(810,406)
Loss on sale assets	(17,010)	(22,999)	(13,547)	(12,397)	(180)
Payments to/from WCCC & Foundation	183,924	159,485	172,926	290,701	3,571,424
Total Nonoperating Revenues (Expenses)	30,683,805	29,338,741	27,892,620	28,566,666	30,977,048
Increase (Decrease) In Net Position	3,237,346	2,324,346	3,103,295	2,001,679	3,382,795
Net Position:					
Beginning of year	23,539,589	26,776,935	29,101,280	32,204,575	34,206,254
Prior Period Adjustments	0	0	0	0	1,763,282
Adjustment for change in accounting principle	0	0	0	0	(11,564,746)
Beginning of year, as restated	23,539,589	26,776,935	29,101,280	32,204,575	24,404,790
End of year	26,776,935	29,101,281	32,204,575	34,206,254	27,787,585

* The comparative financial information provided is formatted to be in alignment with the 2015 fiscal year Audited Financial Statements.

Source: College Financial Statements for the years ended June 30, 2012 to and including June 30, 2015.

WESTMORELAND COUNTY COMMUNITY COLLEGE
OPERATING BUDGET
FY 2015-16

	Budget 2015-16
Revenues	
Sponsor	$1,244,287
State	11,252,239
State FICA	766,460
Student Tuition & Fees	21,568,054
Miscellaneous	210,872
Grants Administration	137,167
Sub-Total Revenues	$35,179,079
Grants	3,354,184
TOTAL REVENUES	**$38,533,263**
Expenditures	
Wages	$19,588,836
Staff Benefits	8,337,028
Facilities	2,434,570
Supplies	541,913
Contracted Serv, Phone, Postage	1,705,583
Equipment/Facilities Repair & Maintenance	773,850
Travel & Hospitality	356,152
Other	914,105
Grant Match	92,558
Small Equipment/Furniture	125,000
Sub-Total Expenditures	$34,849,595
Grants	3,354,184
TOTAL EXPENDITURES	**$38,203,779**
TOTAL FUND BALANCE TRANSFERS IN (OUT)	**$0**
NET FUND BALANCE CHANGE	**$329,484**

Source: College Officials.

WESTMOORELAND COUNTY COMMUNITY COLLEGE
OPERATING BUDGET
Projected Actual 2015-16 vs. Proposed Budget FY 2016-17

	Projected Actual 2015-16	Proposed Budget 2016-17
REVENUES		
Sponsor Appropriations	$1,244,287	$1,244,287
State Appropriations	11,252,239	11,252,239
State FICA	738,670	780,665
Student Tuition – Credit	20,998,110	22,191,270
Student Tuition – Non Credit	869,118	913,118
Miscellaneous	223,097	217,097
Grants	3,643,095	3,035,195
TOTAL REVENUES	**$38,968,616**	**$39,633,871**
EXPENDITURES		
Wages	$18,873,818	$19,949,448
Staff Benefits	7,916,685	8,904,041
Facilities	2,365,872	2,330,060
Supplies	522,863	559,867
Contracted Service, Phone, Postage	1,637,144	1,722,579
Equipment, Facilities Repair & Maintenance	685,850	716,000
Travel & Hospitality	248,627	334,966
Other	1,008,040	932,410
Small Equipment/Furniture	85,000	125,000
Grants	3,588,719	2,997,693
TOTAL EXPENDITURES	**$36,932,618**	**$38,572,064**
NET SURPLUS/(DEFICIT)	**$2,035,998**	**$1,061,807**

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Long Term Indebtedness

The Table below shows long term indebtedness of the College that will be outstanding as of the Date of Delivery.

	Gross Outstanding*
College Revenue Bonds, Series A of 2016 (this issue)	$41,340,000
College Revenue Bonds, Series B of 2016 (this issue)	5,365,000
College Revenue Bonds, Series A of 2012	14,225,000
College Revenue Bonds, Series B of 2012	3,360,000
College Revenue Bonds, Series A of 2008	1,135,000
College Revenue Bonds, Series B of 2008 (refunded by this issue)	0
College Revenue Bonds, Series of 2004	525,000
TOTAL DEBT	$65,950,000

*Includes the Bonds offered through this Official Statement. Excludes capital leases, bank debt and the 2008B Bonds to be refunded by this issue.

Upon the issuance of the Bonds, the Bonds and each series of the Prior College Bonds will be equally and ratably secured and payable under the Indenture from loan payments of the College under the Loan Agreement and each note of the College issued in accordance therewith, including the 2016 Note, except with respect to any fund or account established thereunder solely for the benefit and security of a particularly series of bonds, or with respect to amounts due from any bond insurer or other source of credit enhancement securing or payable solely with respect to any particular series of bonds. See Appendix D "SUMMARY OF OUTSTANDING DEBT SERVICE (BONDS ONLY)".

Student Tuition and Fees

The following table sets forth the fees, costs and charges paid by students of the College per semester, per credit hour, in each of the fiscal years set forth - Tuition per credit hour for Pennsylvania residents who are not residents of the sponsoring county is twice the standard per credit hour rate. Tuition per credit hour for out-of-state residents is three times the standard per credit hour rate. The following table sets forth the standard tuition and student fee assessed to students in each of the fiscal years set forth:

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Tuition (per credit hour for Residents of the sponsoring County)	$76.00	$80.00	$90.00	$93.00	$98.00	$122.00
Student Fee (per credit hour)	$17.00	$17.00	$21.00	$21.00	$31.00	$39.00
Total Per Year	$2,790.00	$2,910.00	$3,330.00	$3,420.00	$3,870.00	$4,830.00

Note: Total per year is based on 30 credit hours plus Student Fee. In addition to these fees, the College charges course fees in high cost course areas such as allied health and laboratory sciences. Course fees range from $10 to $350 per course.

Source: The College.

Financial Aid

The number of students of the College who received the following grants, aid, loans and other financial aid in the indicated fiscal years are set forth below:

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
GRANTS						
PELL	3,733	4,223	4,015	3,519	3,277	2,918
PHEAA	1,114	1,380	1,613	1,283	1,160	1,103
SEOG	594	653	733	392	735	509
Other (TRA/OVR/WIA)	493	397	367	336	299	330
LOANS						
Stafford	2,535	2,328	2,150	2,429	2,419	2,496
EMPLOYMENT						
College Work-Study Program	99	113	98	101	100	90

Source: The College.

Satisfactory Academic Progress Liability

The College receives significant financial assistance from Federal and Commonwealth agencies in the form of grants and student financial assistance for students. Total assistance received during the year ended June 30, 2015 under these programs approximated $20,000,000. Expenses of funds under these programs require compliance with the applicable grant agreements and regulations, and are subject to audit. Any ineligible disbursements identified may become a liability of the College.

Upon hiring a new Director of Financial Aid in the current year, the College discovered an issue concerning its compliance with the satisfactory academic progress (SAP) standards of the U.S. Department of Education (ED), which measure students' academic progress and resulting eligibility for Federal Student Financial Assistance under Title IV of the Higher Education Act of 1965, as amended (Title IV). The amount of Title IV funds inappropriately disbursed to current and former students due to the College's failure to comply with the ED SAP requirements cannot reasonably be determined at June 30, 2015. However, the College calculated an estimate of the potential amount of funds improperly awarded based on a calculation relating a sample of students to the entire population of students for the year ended June 30, 2015. The College developed the estimate by utilizing and applying the ED's estimated actual loss methodology to the Federal Direct Student Loans portion of that amount, which is an approach that ED regularly uses to calculate a repayment amount for Federal Direct Student Loans. This resulted in an estimation of potential repayment liability of approximately $827,000 based on 2015 activity. ED has the authority to determine the amount f Title IV funds that the College must repay, and ED has not yet reviewed this matter or assessed any liability against the College as of the date the College's financial statements were issued. The amount the ED assesses could be materially less than or greater than the amount estimated above, depending on final methodology and possible consideration of prior years' activity. As a result, the College has recorded an accrual of $827,000 for this matter. This amount is included in the Financial Statements in Accrued Liabilities under the Current Liabilities section, and in Governmental Grants under the Expense section which are included in Appendix A of this Official Statement.

Special Fundraising Activities

WCCC receives funding from external sources to support initiatives at the College. These grants support college-wide projects which include funds for faculty/staff compensation, travel, student tuition, instructional supplies, senior citizen wages, and other related program costs. Grants were also received to support Nursing, Dental and Public Safety Training programs. See table on the following page.

Westmoreland County Community College
Grant Funds

	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Projected 2015-16
National Council On The Aging	$ 1,948,168	$ 1,415,094	$ 1,201,185	$ 1,130,741	$ 1,170,596	$ 1,176,940
Carl Perkins	813,203	714,208	697,808	563,377	513,683	451,804
Workforce & Economic Development Network	297,711	151,216	282,464	401,956	445,340	372,926
Marcellus ShaleNET USA	0	0	112,012	1,910,060	707,457	326,816
Student Support Services	262,476	229,348	226,561	240,853	253,038	261,519
College Workstudy Federal	235,153	217,350	208,687	153,114	190,936	168,125
Keys	147,540	153,545	177,456	182,260	184,625	166,163
Benedum Career Pathways	0	0	0	0	0	160,000
Area Agency On The Aging	187,176	140,294	139,909	131,179	138,720	141,362
Retired Senior Volunteer Program	76,280	64,096	61,300	63,058	54,489	71,364
College Workstudy State	7,171	34,477	40,210	65,359	40,972	64,000
ACT 101	65,502	65,850	50,861	53,614	55,040	55,040
Eberly	0	0	0	23,500	26,500	42,500
RAND	0	0	0	0	0	40,061
Apprise	43,113	64,209	35,780	45,796	52,139	33,328
PELL/SEOG Administrative Allowance	27,275	32,905	22,835	26,665	23,573	23,573
YWCA Key Child Care Training	15,824	20,757	27,583	17,043	27,330	20,500
ATC CTC Laurel	0	0	0	1,566	3,353	20,081
Mellon	0	0	0	562,700	1,417,363	19,936
Highmark		0	0	0	7,392	17,005
Apprise Telecenter	15,118	14,626	14,074	14,940	14,607	15,000
YWCA Rentention	0	0	0	13,270	13,270	13,270
TAACCCT	0	28,384	498,960	204,603	32,755	13,037
DCED KIZ KIN Technology	0	0	0	12,500	0	12,658
Merit Award	12,600	12,600	9,855	9,855	9,855	9,855
Benedum MonValley/Fayette	0	9,156	27,750	10,735	24,691	7,668
ATC CTC Kennametal	0	0	0	3,590	3,649	5,000
Veterans Lounge	0	0	0	0	0	4,275
Marketing	0	0	5,000	0	0	2,000
McKenna	0	0	0	0	500,000	0
ATC CTC Benedum	0	0	0	74,263	125,737	0
Dominion	0	25,000	0	0	29,897	0
Massey	0	0	0	0	20,000	0
XTO	0	0	0	3,085	17,494	0
Greene County Energy Sector	58,016	43,105	21,259	17,251	15,367	0
PNC Charitable Trust	0	0	0	0	15,000	0
DCED NAP ShaleNET	0	0	0	168,088	9,412	0
Robertshaw Nursing	0	1,855	2,500	0	6,850	0
NGIC Greene	0	3,500	4,454	3,024	1,296	0
PHEAA Creating Access Post Secondary	2,436	2,398	6,087	535	582	0
Marcellus ShaleNET	927,434	528,309	2,616,912	614,972	0	0
Hillman	0	0	0	300,000	0	0
Title III	467,110	463,253	384,458	111,954	0	0
Snee-Reinhart	0	0	0	16,500	0	0
Chevron	0	0	0	10,000	0	0
DCED KIZ KISK	0	67,847	7,208	5,134	0	0
CTC Outreach	0	0	0	5,000	0	0
Capacity Building Project	0	0	15,000	5,000	0	0
ATC CTC DCED EITC	0	0	0	4,378	0	0
Latrobe Specialty Steel	0	0	142,921	1,000	0	0
Citizen Preparedness	74,882	69,287	47,393	0	0	0
YWCA Child Care Employee	8,180	8,680	9,535	0	0	0
Dreamkeepers	0	0	3,982	0	0	0
Emergency Response	0	0	100	0	0	0
CALU Siemens Training	0	1,917	0	0	0	0
Quality Improvement	0	1,500	0	0	0	0
Tech Prep	425,147	0	0	0	0	0
Greene County Science Lab	50,000	0	0	0	0	0
Keystone Innovation Zone - Starter Kit	14,905	0	0	0	0	0
Keystone Innovation Zone - Industrial	14,000	0	0	0	0	0
BFTDA Welding	10,000	0	0	0	0	0
AACC Mentor Links	4,235	0	0	0	0	0
Pathways Program	2,572	0	0	0	0	0
TOTAL GRANT REVENUES	**$ 6,213,227**	**$ 4,584,766**	**$ 7,102,099**	**$ 7,182,518**	**$ 6,153,008**	**$ 3,715,806**

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the College will agree pursuant to a Continuing Disclosure Agreement between the College and Digital Assurance Certification, LLC as Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") to be delivered on the date of issuance of the Bonds, to cause the following information to be provided:

(i) to provide at least annually to the Municipal Securities Rulemaking Board (the "MSRB") Electronic Municipal Market Access ("EMMA") System, in such electronic format as is prescribed by the MSRB and accompanied by such identifying information as prescribed by the MSRB, the following annual financial information and operating data with respect to the College for each of its fiscal years, beginning with the fiscal year ending June 30, 2016, within 270 days following the end of such fiscal year:

- the financial statements for the most recent calendar year, prepared in accordance with generally accepted accounting principles for local government units and audited in accordance with generally accepted auditing standards
- Employees
- Enrollment
- Student Tuition and Fees
- Summary of the operating budget
- Financial Aid

(ii) in a timely manner not in excess of ten business days after the occurrence of the event, to file with the MSRB, notice of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the College; (13) the consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(iii) in a timely manner, to provide to the EMMA, in such electronic format as is prescribed by the MSRB and accompanied by such identifying information as prescribed by the MSRB notice of a failure to provide required annual financial information, on or before the date specified above.

The College's obligations under the Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all the Bonds. In addition, the College's obligations to provide information and notices such as specified above shall terminate (i) at such other times as such information and notices (or any portion thereof) are no longer required to be provided by the Rule as it applies to the Bonds, (ii) in the event of a repeal or rescission of the Rule or (iii) upon a determination that the Rule is invalid or unenforceable.

The College and DAC, with the consent of the Authority, may amend the Continuing Disclosure Agreement and waive any of the provisions thereof, but no such amendment or waiver shall be executed and effective unless (i) the amendment or waiver is made in connection with a change in legal requirements, change in law or change in identity, nature or status of the College or the operations conducted by the College, (ii) the Continuing Disclosure Agreement as modified by the amendment or waiver, complies with the requirements of the Rule, and (iii) the amendment or waiver does not materially impair the interests of the registered owners of the Bonds. To the extent that the Rule requires or permits an approving vote of beneficial owners of the Bonds in connection with an amendment, the approving vote of the beneficial owners of Bonds constituting more than 50% of the aggregate principal amount of the then outstanding Bonds shall constitute such approval.

In the event of a breach or default by the College of its covenants to provide annual financial information and notices as provided above, the Disclosure Dissemination Agent or any holder or beneficial owner of Bonds shall have the right to bring an action in a court of competent jurisdiction to compel specific performance by the College. A breach or default under the Continuing Disclosure Agreement shall not constitute an event of default under the Loan Agreement, the Indenture, the Bonds or any other agreement. The Dissemination Agent shall be under no obligation to enforce the Continuing Disclosure Agreement unless (i) directed in writing by the holders or beneficial owners of at least 25% of the outstanding principal amount of the Bonds and (ii) furnished with indemnity and security for expenses satisfactory to it.

COMPLIANCE WITH PREVIOUS CONTINUING DISCLOSURE UNDERTAKINGS

The College has entered into prior undertakings to provide information pursuant to Continuing Disclosure Agreements for several outstanding bond issues. The requirements of the outstanding bond issues require the College to submit information annually, with the shortest submission period being 180 days following the close of each fiscal year of the College, which occurs on June 30th. The following table provides information regarding the undertaking, annual filing deadlines and the College's performance of its filing obligations:

Bond Issue Subject to a CDA	Fiscal Year	Annual Filing Deadline	Due Date	Date of Actual Filing Audit	Date of Actual Filing Budget	Date of Actual Filing Operating Data
Series Q of 1998	6/30/2011	180 days following	12/27/2011	11/4/2011	3/9/2016	4/27/2016
Dated Date: October 1, 1998	6/30/2012	June 30th	12/27/2012	11/8/2012	3/9/2016	4/27/2016
Closing Date: November 10, 1998	6/30/2013		12/27/2013	11/19/2013	3/9/2016	4/27/2016
Matured October 15, 2015	6/30/2014	Insurer: MBIA	12/27/2014	2/29/2016	3/9/2016	4/27/2016
	6/30/2015		12/27/2015	-	-	-
Series of 2002	6/30/2011	180 days following	12/27/2011	11/4/2011	3/9/2016	4/27/2016
Dated Date: March 15, 2002	6/30/2012	June 30th	12/27/2012	-	-	-
Closing Date: April 25, 2002	6/30/2013		12/27/2013	-	-	-
Defeased on May 30, 2012	6/30/2014	Insurer: FGIC	12/27/2014	-	-	-
	6/30/2015		12/27/2015	-	-	-
Series of 2004	6/30/2011	180 days following	12/27/2011	11/4/2011	3/9/2016	4/27/2016
Dated Date: February 1, 2004	6/30/2012	June 30th	12/27/2012	11/8/2012	3/9/2016	4/27/2016
Closing Date: February 24, 2004	6/30/2013		12/27/2013	11/19/2013	3/9/2016	4/27/2016
	6/30/2014	Insurer: MBIA	12/27/2014	2/29/2016	3/9/2016	4/27/2016
	6/30/2015		12/27/2015	5/2/2016	3/9/2016	4/27/2016
Series A of 2008	6/30/2011	180 days following	12/27/2011	11/4/2011	3/9/2016	4/27/2016
Dated Date: March 1, 2008	6/30/2012	June 30th	12/27/2012	11/8/2012	3/9/2016	4/27/2016
Closing Date: March 5, 2008	6/30/2013		12/27/2013	11/19/2013	3/9/2016	4/27/2016
	6/30/2014	Insurer: FSA	12/27/2014	11/14/2014	3/9/2016	4/27/2016
	6/30/2015		12/27/2015	4/1/2016	3/9/2016	4/27/2016
Series B of 2008	6/30/2011	180 days following	12/27/2011	11/4/2011	3/9/2016	4/27/2016
Dated Date: March 1, 2008	6/30/2012	June 30th	12/27/2012	11/8/2012	3/9/2016	4/27/2016
Closing Date: March 5, 2008	6/30/2013		12/27/2013	11/19/2013	3/9/2016	4/27/2016
The Series B are expected to be	6/30/2014	Insurer: FSA	12/27/2014	11/14/2014	3/9/2016	4/27/2016
refunded with this issue	6/30/2015		12/27/2015	4/1/2016	3/9/2016	4/27/2016
Series A of 2012	6/30/2011	270 days following	3/26/2012	-	-	-
Dated Date: May 30, 2012	6/30/2012	June 30th	3/27/2013	11/8/2012	3/9/2016	4/27/2016
Closing Date: May 30, 2012	6/30/2013		3/27/2014	11/19/2013	3/9/2016	4/27/2016
	6/30/2014	Insurer: AGM	3/27/2015	11/14/2014	3/9/2016	4/27/2016
	6/30/2015		3/26/2016	4/1/2016	3/9/2016	4/27/2016
Series B of 2012	6/30/2011	270 days following	3/26/2012	-	-	-
Dated Date: May 30, 2012	6/30/2012	June 30th	3/27/2013	11/8/2012	3/9/2016	4/27/2016
Closing Date: May 30, 2012	6/30/2013		3/27/2014	11/19/2013	3/9/2016	4/27/2016
	6/30/2014	Insurer: AGM	3/27/2015	11/14/2014	3/9/2016	4/27/2016
	6/30/2015		3/26/2016	4/1/2016	3/9/2016	4/27/2016

Some of the College's bond issues that have been outstanding during the past five (5) years have been insured by various bond insurance companies that have received rating downgrades and upgrades by S&P and/or Moody's. This information was publically available from widely accepted information sources at the time of their respective downgrades or upgrades. For informational purposes, the College has uploaded a summary of these rating changes relating to certain bond insurance companies on February 29, 2016.

As outlined in the table above, the College failed to provide certain annual financial information in a timely manner during the past five (5) years, however the College subsequently filed all the required annual financial information on the dates stated on the above table along with a "Failure to Provide" notice to the MSRB's EMMA System on May 3, 2016. The College will continue to adhere to procedures that were put in place to provide timely ongoing disclosure of annual financial information and notice of material events affecting its securities.

LITIGATION

The Authority. There is no litigation of any nature now pending or, to the Authority's knowledge, threatened against it restraining or enjoining the issuance, sale, execution or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds, the Indenture, or any proceedings of the Authority taken in connection with issuance or sale of the Bonds, the pledge or application of any moneys or security provided for the payment of the Bonds, or the existence or powers of the Authority.

The College. There is no litigation, currently pending or to the knowledge of the College threatened against it, which, individually or in the aggregate, will have a material adverse effect on its financial condition or which will affect the validity or enforceability of the Loan Agreement or the 2016 Note, or which in any way contests the existence or powers of the College.

LEGALITY FOR INVESTMENTS

Under the Act, the Bonds are securities in which all officers of the Commonwealth and its political subdivisions and municipal officers and administrative departments, boards and commissions of the Commonwealth, all banks, savings banks, trust companies, savings and loan association, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all administrators, executors, guardians, trustees and other fiduciaries, and all other persons who are authorized to invest in Bonds or other financial obligations of the Commonwealth may properly and legally invest any funds, including capital belonging to them or within their control, and the Bonds are securities which may properly and legally be deposited with and received by any Commonwealth and municipal officers or agency of the Commonwealth for any purpose for which the deposit of other bonds or other obligations of the Commonwealth is authorized by law.

TAX EXEMPTION

State Tax Matters

In the opinion of Bond Counsel, the Bonds, and the interest income therefrom, are free from taxation for purposes of personal income, corporate net income and personal property taxes within the Commonwealth of Pennsylvania.

The residence of a holder of a Bond in a state other than Pennsylvania, or being subject to tax in a state other than Pennsylvania, may result in income or other tax liabilities being imposed by such other state or its political subdivisions based on the interest or other income from the Bonds.

Federal Income Tax Matters

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continuing compliance by the Authority and the College with certain covenants related to Internal Revenue Code of 1986, as amended (the “Code”), interest on the Bonds (including, in the case of Bonds sold at an original issue discount, the difference between the initial offering price and par) is excluded from gross income for Federal income tax purposes. Bond Counsel is also of the opinion that interest on the Bonds is not a specific item of tax preference under Section 57 of the Code for purposes of Federal individual or corporate alternative minimum taxes.

Original Issue Discount – Series A

The Series A Bonds that mature on October 15, 2025 through and including October 15, 2029, October 15, 2033 and October 15, 2035 (collectively, the "Tax-Exempt Discount Bonds") are being offered and sold at an original issue discount ("OID") from the amounts payable at their maturity. OID is the excess of the stated redemption price of a bond at maturity (par) over the price to the public at which a substantial amount of Bonds of the same maturity are sold pursuant to the initial offering. Under the Code, OID on each Tax-Exempt Discount Bond will accrue over its term and the amount of accretion will be based on the yield to maturity, compounded semi-annually. The amount of OID that accrues during each semi-annual period will do so ratably within that period on a daily basis. With respect to an initial purchaser of a Tax-Exempt Discount Bond at its initial offering price, the portion of OID that accrues during the period that such purchaser owns such Bond is added to the purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale, or other disposition of that Tax-Exempt Discount Bond and thus, in practical effect, is treated as interest, which is excludable from gross income for federal income tax purposes.

Holders of Tax-Exempt Discount Bonds should consult their own tax advisors as to the effect of OID with respect to their federal tax liability.

Original Issue Premium – Series A

The Series A Bonds that mature on October 15, 2016 through and including October 15, 2024 and October 15, 2031 (collectively, the “Tax-Exempt Premium Bonds”) are being offered and sold at an original issue premium (“OIP”) over the amounts payable at their maturity. An amount equal to the excess of the issue price of a Tax-Exempt Premium Bond over its stated redemption price at maturity constitutes OIP on such Tax-Exempt Premium Bond. An initial purchaser of a Tax-Exempt Premium Bond must amortize any OIP over the term of such Tax-Exempt Premium Bond using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Tax-Exempt Premium Bonds callable prior to their maturity, by amortizing the OIP to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As OIP is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser’s basis in such Tax-Exempt Premium Bond is reduced by the same amount--resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Tax-Exempt Premium Bond prior to its maturity. However, even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Tax-Exempt Premium Bonds should consult with their tax advisors with respect to the determination and treatment of OIP for federal income tax purposes and with respect to the state and local tax consequences of owning a Tax-Exempt Premium Bond.

Original Issue Discount – Series B

The Series B Bonds that mature on October 15, 2024 through and including October 15, 2027 (collectively, the "Tax-Exempt Discount Bonds") are being offered and sold at an original issue discount ("OID") from the amounts payable at their maturity. OID is the excess of the stated redemption price of a bond at maturity (par) over the price to the public at which a substantial amount of Bonds of the same maturity are sold pursuant to the initial offering. Under the Code, OID on each Tax-Exempt Discount Bond will accrue over its term and the amount of accretion will be based on the yield to maturity, compounded semi-annually. The amount of OID that accrues during each semi-annual period will do so ratably within that period on a daily basis. With respect to an initial purchaser of a Tax-Exempt Discount Bond at its initial offering price, the portion of OID that accrues during the period that such purchaser owns such Bond is added to the purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale, or other disposition of that Tax-Exempt Discount Bond and thus, in practical effect, is treated as interest, which is excludable from gross income for federal income tax purposes.

Holders of Tax-Exempt Discount Bonds should consult their own tax advisors as to the effect of OID with respect to their federal tax liability.

Original Issue Premium – Series B

The Series B Bonds that mature on October 15, 2016 and October 15, 2018 through and including October 15, 2023 (collectively, the “Tax-Exempt Premium Bonds”) are being offered and sold at an original issue premium (“OIP”) over the amounts payable at their maturity. An amount equal to the excess of the issue price of a Tax-Exempt Premium Bond over its stated redemption price at maturity constitutes OIP on such Tax-Exempt Premium Bond. An initial purchaser of a Tax-Exempt Premium Bond must amortize any OIP over the term of such Tax-Exempt Premium Bond using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Tax-Exempt Premium Bonds callable prior to their maturity, by amortizing the OIP to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As OIP is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser’s basis in such Tax-Exempt Premium Bond is reduced by the same amount--resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Tax-Exempt Premium Bond prior to its maturity. However, even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Tax-Exempt Premium Bonds should consult with their tax advisors with respect to the determination and treatment of OIP for federal income tax purposes and with respect to the state and local tax consequences of owning a Tax-Exempt Premium Bond.

Interest Expense Deductions for Financial Institutions

Under Section 265 of the Code, financial institutions are denied any deduction for interest expenses that are allocable, by a formula, to tax-exempt obligations acquired after August 7, 1986. An exception, which permits a deduction for 80% of such interest expenses, is provided in respect of certain tax-exempt obligations issued by a qualified issuer that specifically designates such obligations as “qualified tax-exempt obligations” under Section 265 of the Code.

The Authority is not a qualified issuer and has not designated the Bonds as “qualified tax-exempt obligations” for the purposes and effect contemplated by Section 265 of the Code.

Financial institutions intending to purchase Bonds should consult their own tax advisors to determine the effect of the interest expense deduction on their federal tax liability.

Continuing Compliance

The Code imposes various terms, restrictions, conditions and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Bonds. The Authority and the College have each covenanted to comply with all such requirements, including non-arbitrage requirements under Section 148 of the Code, that are necessary to ensure that interest on the Bonds will not be includable in gross income for Federal income tax purposes. Failure to comply with these covenants could result in interest on the Bonds being includable in gross income for Federal income tax purposes and such inclusion could be required retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel assumes compliance with the aforesaid covenants. Moreover, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the tax-exempt status of the interest on the Bonds.

Certain requirements and procedures contained or referred to in the Indenture and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Such changes or actions could constitute an exchange or other tax event with respect to the Bonds, which could result in gain or loss to the holder of a Bond, and a consequent tax liability.

Pursuant to its continuing disclosure obligations made pursuant to SEC Rule 15c2-12 (see “Continuing Disclosure” herein), the College may be required to provide notice of such changes or actions, as Material Events under said Rule. However, holders of the Bonds should consult their own tax advisors as to the effect of such changes or actions with respect to their federal tax liability.

Collateral Tax Liabilities

Although Bond Counsel has rendered an opinion that interest on the Bonds is excludable from gross income for Federal and Pennsylvania income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may result in other collateral effects on a Bondholder's Federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion; each Bondholder or potential Bondholder is urged to consult with its own tax advisors with respect to the effects of purchasing, holding or disposing of the Bonds on its tax liabilities.

For example, corporations are required to include interest on the Bonds in determining "adjusted current earnings" under Section 56(c) of the Code, which may increase the amount of any alternative minimum tax owed. Other tax consequences for certain taxpayers include, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code, increasing the federal tax liability of certain insurance companies under Section 832 of the Code, increasing the federal tax liability of certain S corporations subject to Sections 1362 and 1375 of the Code, increasing the federal tax liability of certain individual recipients of social security or railroad retirement benefits under Section 86 of the Code, limiting the use of the Earned Income Credit under Section 32 of the Code, limiting the use of the refundable credit for coverage under a qualified health plan under Section 36B of the Code, and denying an interest expense deduction to certain financial institutions under Section 265 of the Code.

Change in Law; Adverse Determinations

From time to time, certain legislative proposals may be introduced, or are pending, in the Congress of the United States or the various state legislatures, including some that carry retroactive effective dates, that, if, enacted, could alter or amend the federal and state tax matters described above or affect the market value of the Bonds. No prediction can be made whether or in what form any such proposal or proposals might be enacted into law or whether, if enacted, the same would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") regularly audits tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. No prediction can be made whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures, the Service may treat the Authority and/or the College as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until such time as the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, such as the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bondholder who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or to any Bondholder who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns.

THE FOREGOING IS NOT INTENDED AS AN EXHAUSTIVE LIST OF THE PROVISIONS OF FEDERAL, STATE AND LOCAL TAX LAWS WHICH MAY HAVE AN EFFECT ON INDIVIDUALS AND CORPORATIONS HOLDING THE BONDS OR RECEIVING INTEREST THEREON. PROSPECTIVE PURCHASERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE EFFECT ON THEIR FEDERAL, STATE OR LOCAL TAX LIABILITY AND GENERAL FINANCIAL AFFAIRS OF HOLDING THE BONDS OR RECEIVING INTEREST THEREON.

CERTAIN LEGAL MATTERS

Purchase of the Bonds by the Underwriter is subject to the receipt of the approving legal opinion of Dinsmore & Shohl LLP, Pittsburgh, Pennsylvania, Bond Counsel. Certain legal matters will be passed upon for the College by Daniel B. Pagliari, Esq., New Kensington, Pennsylvania, whose approving legal opinion will be delivered to the Underwriter at the time of the delivery of the Bonds. Certain legal matters will be passed upon for the Authority by Barley Snyder, LLP, Lancaster, Pennsylvania and for the Underwriter by Buchanan Ingersoll & Rooney PC, Pittsburgh, Pennsylvania.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result and are not binding on the IRS or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law and in reliance on the representations and covenants that it deems relevant to such opinions.

FINANCIAL STATEMENTS

The financial statements of the College as of and for the year ended June 30, 2015 included in Appendix A have been audited by Schneider Downs & Co., Inc, Pittsburgh, PA Certified Public Accountants, as stated in its report appearing in Appendix A. In the opinion of the College there has been no material adverse change in the financial conditions of the College since June 30, 2015.

UNDERWRITING

The Underwriter has agreed, subject to certain conditions, to purchase the Bonds from the Authority at an aggregate price of $48,714,132.05 (which represents the par amount of the Bonds less underwriter's discount of $303,582.50, plus net original issue premium of $2,312,714.55. The Underwriter's obligations are subject to certain conditions precedent; however, the Underwriter will be obligated to purchase all such Bonds if any such Bonds are purchased. The Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed from time to time, by the Underwriter.

BOND RATING

S & P Global Ratings is expected to assign its municipal bond rating of "AA" (Stable outlook) to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of principal of and interest on the Insured Bonds will be issued by AGM. S & P Global Ratings has also assigned an underlying rating of "A/Stable" to the Bonds. Such ratings reflect only the view of such organization and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following address: 55 Water Street, 38th Floor, New York, New York 10041. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. The Authority and the College are not required to maintain any particular rating on the Bonds and shall have no liability if a rating is lowered, withdrawn or suspended.

MISCELLANEOUS MATTERS

This Official Statement has been prepared under the direction of the College by Boenning & Scattergood Inc., Pittsburgh, Pennsylvania, in its capacity as Underwriter to the College. The information set forth in this Official Statement has been obtained from the College and from other sources believed to be reliable. Insofar as any statement herein includes matters of opinion or estimates about future conditions, it is not intended as representation of fact, and there is no guarantee that it is, or will be, realized. Summaries or descriptions of provisions of the Bonds, the Indenture, and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions thereof. Reference is hereby made to the complete documents, copies of which will be furnished by the College or the Underwriter upon request. The information assembled in this Official Statement is not to be construed as a contract with holders of the Bonds.

The Authority has no responsibility for the College's compliance with the Continuing Disclosure Agreement or for the contents of, or any omissions from, the financial information, operating data, or notices provided thereunder.

The references herein to the Indenture, the Loan Agreement, the 2016 Note, the Continuing Disclosure Agreement, the Act, the Community College Act and other materials are only brief outlines of certain provisions thereof and do not purport to summarize or describe all the provisions thereof, copies of which will be furnished by the Authority upon request.

The information contained in this Official Statement has been compiled or prepared from official and other sources deemed to be reliable and, although not guaranteed as to the completeness or accuracy, is believed to be correct as of this date. Statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

The information contained in this Official Statement should not be construed as representing all the conditions affecting the Authority, the College, or the Bonds.

The Authority has not assisted in the preparation of this Official Statement, except for the statements under the sections, captioned "**THE AUTHORITY**" and, as it relates to the Authority, "**LITIGATION**", herein and, except for those sections, the Authority is not responsible for any statements made in this Preliminary Official Statement. Except for the authorization, execution and delivery of documents required to affect the issuance of the Bonds, the Authority has not otherwise assisted in the public offer, sale or distribution of the Bonds. Accordingly, except as foresaid, the Authority assumes no responsibility for the disclosures set forth in this Official Statement.

STATE PUBLIC SCHOOL BUILDING AUTHORITY

By: /s/ Robert Baccon
Title: Executive Director

The College hereby approves the use and distribution of this Official Statement in connection with the issuance and the sale of the Bonds and hereby certifies that, as of the date hereof, the statements contained in this Official Statement relating to the College do not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

APPROVED:

WESTMORELAND COUNTY COMMUNITY COLLEGE

By: /s/ Larry J. Larese
Title Chairperson, Board of Trustees

By: /s/ Dr. Tuesday Stanley Ed. D.
Title President of the College

APPENDIX A

WESTMORELAND COUNTY COMMUNITY COLLEGE
ANNUAL FINANCIAL REPORT
JUNE 30, 2015

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WESTMORELAND COUNTY COMMUNITY COLLEGE
(a component unit of Westmoreland County)
Youngwood, Pennsylvania

Financial Statements
and
Supplementary Information
for the year ended June 30, 2015

and Independent Auditors’ Report Thereon

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C O N T E N T S

INDEPENDENT AUDITORS' REPORT

To Board of Trustees
Westmoreland County Community College
Youngwood, Pennsylvania

Report on the Financial Statements
We have audited the accompanying financial statements of Westmoreland County Community College (the College), and its discretely presented component unit, collectively a component unit of Westmoreland County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College's preparation and fair presentation of the financial statements 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 College's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Schneider Downs & Co., Inc.
www.schneiderdowns.com
PrimeGlobal
An Association of Independent Accounting Firms

One PPG Place, Suite 1700
Pittsburgh, PA 15222-5416
TEL 412.261.3644
FAX 412.261.4876

41 S. High Street, Suite 2100
Columbus, OH 43215-6102
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FAX 614.621.4062

Basis for Qualified Opinion
As disclosed in Note 3, the College was in violation of certain requirements of the Student Financial Assistance Cluster. These violations resulted in Student Financial Assistance being awarded to students who were not eligible to receive it. The College may be required to refund all or at least a portion of these disbursements to the Department of Education. In connection with these violations, the College has recorded a liability of $827,000. The College's estimate was not sufficiently comprehensive to permit for the application of adequate audit procedures to obtain sufficient, appropriate audit evidence about the estimation of this liability. The College determined that such an analysis would be impracticable. Consequently, we were unable to determine whether any adjustments might have been necessary with respect to this liability, and its related effect on the statements of revenues, expenses and changes in net position and cash flows.

Qualified Opinion
In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial positions of the College and its discretely presented component unit as of June 30, 2015, and the respective changes in financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter
As discussed in Note 1 to the financial statements, effective July 1, 2014, the College adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. In accordance with Statements No. 68 and No. 71, the College is now recognizing its unfunded pension benefit obligation as a liability on the statement of net position. This statement also enhances accountability and transparency through required note disclosures (see Note 14) and required supplementary information (RSI). We did not modify our opinion regarding this matter.

Other Matters
Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on Pages 4-10 and schedules of the College's proportionate share of the net pension liabilities and pension contributions on Pages 53-54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, which 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.

Restatement of Prior Period Financial Statements
The financial statements of the College for the year ended June 30, 2014, before the restatements described in Note 2, were audited by another auditor whose report dated October 14, 2014 expressed an unmodified opinion on those statements.

As part of our audit of the June 30, 2015 financial statements, we also audited the adjustments described in Note 2 that were applied to restate the June 30, 2014 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any other procedures to the June 30, 2014 financial statements of the College other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the June 30, 2014 financial statements as a whole.

Schneider Downs & Co., Inc.

Pittsburgh, Pennsylvania
March 31, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015

The following presents management's discussion and analysis of the Westmoreland County Community College's (College) financial and operational activity during the fiscal years ended June 30, 2015 and June 30, 2014. We intend for this discussion to provide the reader with information that will assist in understanding our Financial Statements, the changes in key items in those Financial Statements from year to year, and the primary factors that accounted for those changes, as well as how certain accounting principles affect our Financial Statements. This analysis reflects on current activities, resulting changes and currently known facts, and should be read in conjunction with the College's Financial Statements, including the notes accompanying these Financial Statements. Responsibility for the completeness and fairness of this information rests with College management.

Using This Annual Report

The financial statement format focuses on the College as a whole. The Financial Statements are designed to emulate business presentation models, whereby all College activities are consolidated. The Statements of Activities focuses on both the gross costs and the net costs of College activities that are supported mainly by State Appropriations, Local Sponsor Appropriations, Tuition and Fees. This approach is intended to summarize and simplify the user's analysis of both the revenues and the costs of various College services to students and the public. Although the Westmoreland County Community College Education Foundation is considered a component unit of the College, Management's Discussion and Analysis will focus primarily on the activities of the College. The Statements of Net Position are prepared on the accrual basis and present all assets, deferred outflows of resources, deferred inflows of resources and liabilities of the College, both financial and capital, and classified between short and long-term.

Prior Period Restatements

During the current year, several prior period errors were identified and the statement of net position for the year ended June 30, 2014 was restated. The beginning of the year Net Position was restated from $34.2 million to $36.0 million due to $1.8 million in Prior Period Adjustments. These adjustments arose from errors identified related to calculating Depreciation Expense, expense cut-off and recognition for certain monthly and annual contracts, grant income recognition, and calculating loan interest expense. For the purposes of the analysis within the Management's Discussion and Analysis, management has restated the corresponding Assets, Liabilities, Net Position and Revenues and Expenses as of and for the year ended June 30, 2014.

Financial Highlights

As of June 30, 2015, the College's Net Position decreased to $27.8 million from $36.0 million at June 30, 2014. There were increases and decreases throughout the various categories of Revenues and Expenses. Overall, the total Revenues of the College continued to be greater than the total Expenses. Total Revenues for the 2015 fiscal year were $62.2 million, and total Expenses were $58.6 million. This contributed a $3.4 million increase in the Net Position. In addition, there was an $11.6 million decrease in the Net Position from an adoption of accounting principal attributed to the recognition of the College share of the State's net pension liability. Further details of the net pension liability as well as the prior period adjustments can be found in the notes to the Financial Statements.

	Net Position (in millions) As of June 30, 2015	2014 (as restated)	Increase (Decrease)	Percent Change
Current Assets	$ 15.4	$ 22.6	$ (7.2)	(31.9) %
Non-Current Assets:				
Capital Assets, Net of Depreciation	55.3	45.6	9.7	21.3
Restricted Cash	-	4.0	(4.0)	(100.0)
Other	1.0	0.8	0.2	25.0
Total Assets	$ 71.7	$ 73.0	$ (1.3)	(1.8)
Total Deferred Outflows	$ 0.9	$ 0.3	$ 0.6	200.0
Current Liabilities	$ 8.8	$ 9.8	$ (1.0)	(10.2)
Non-Current Liabilities	33.4	27.5	5.9	21.5
Total Liabilities	$ 42.2	$ 37.3	$ 4.9	13.1
Total Deferred Inflows	$ 2.6	-	$ 2.6	0.0
Net Position:				
Investment in Capital Assets	$ 28.1	$ 18.6	$ 9.5	51.1
Unrestricted	(0.3)	17.4	(17.7)	(101.7)
Total Net Position	$ 27.8	$ 36.0	$ (8.2)	(22.8) %

As previously mentioned, the total Net Position at June 30, 2015 decreased to $27.8 million from $36.0 million at June 30, 2014. Current Assets decreased by $7.2 million. The change in Current Assets can be attributed to a $6.1 million decrease in Cash related to construction costs for the new Education Center building in Latrobe, PA and the new Advanced Technology Center near New Stanton, PA, as well as decreases in various receivables and prepaid expenses.

Non-Current Assets increased by $5.9 million. Changes In Non-Current Assets included a $9.7 million increase in Net Fixed Assets related to construction costs for the Latrobe Education Center and the Advanced Technology Center. Restricted Cash decreased by $4.0 million due to funds being drawn from a $16 million loan from 2014 being used to help fund these two projects. There was a net $0.2 million increase in the remaining Non-Current Assets.

Total Liabilities increased by $4.9 million, mostly from a $9.6 million increase for the College's share of State Unfunded Pension Liability and a $3.6 million decrease for payments made on Long-Term Debt. Governmental Accounting Standards Board Statement (GASB) No. 68 requires the College to report the portion of the State's Unfunded Pension Liability related to College employees. There was also a $1.5 million decrease in Accrued Liabilities from construction costs that had been accrued at the end of the 2013-14 fiscal year and paid in 2014-15, which was offset by the recognition of a $0.8 million liability related to the possible future return of awards to the U.S. Department of Education. (See Note 3.)

Implementation of GASB 68 also resulted in the recognition of pension-related deferred inflows and outflows of resources. Deferred inflows recognized were approximately $2.6 million and resulted primarily from the change in the College's proportion of the collective net pension liability since the prior measurement date. Deferred outflows recognized were approximately $0.7 million consisting primarily from net differences between projected and actual investment earnings and contributions subsequent to the measurement date.

WESTMORELAND COUNTY COMMUNITY COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015

The Investment in Capital Assets increased to $28.1 million at June 30, 2015 from $18.6 million at June 30, 2014. The June 30, 2015 Investment In Capital Assets of $28.1 million is determined by netting the total Net Fixed Assets of $55.3 million with the corresponding total Debt (net of deferred outflow) of $27.2 million. The $9.5 million increase in Investment in Capital Assets can mainly be attributed to the completion of the Advanced Technology Center Building.

The decrease in Unrestricted Net Position can be attributed to Total Revenues being greater than Total Expenses by $3.4 million, less the increase of $9.5 million in Investment in Capital Assets and less the $11.6 million adjustment for the College's share of State Unfunded Pension Liability.

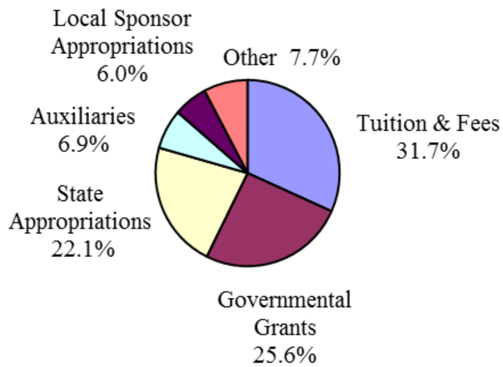
	Operating Results (in millions) For the Years Ended June 30,			
	2015	2014 (as restated)	(Decrease) Increase	Percent Change
Operating Revenue:				
Tuition and Fees	$ 19.7	$ 19.8	$ (0.1)	(0.5) %
Other Scholarships	(3.5)	(4.7)	1.2	(25.5)
Governmental and Other Grants	5.2	5.7	(0.5)	(8.8)
Auxiliary Enterprises	4.3	4.9	(0.6)	(12.2)
Other Operating Revenue	1.2	1.0	0.2	20.0
Total Operating Revenues	26.9	26.7	0.2	0.7
Less Operating Expenses	54.5	53.5	1.0	1.9
Operating Loss	(27.6)	(26.8)	(0.8)	3.0
Nonoperating Revenues (Expenses):				
State Appropriations	11.3	11.1	0.2	1.8
Local Appropriations	1.4	1.6	(0.2)	(12.5)
State and Local Capital Appropriations	4.7	4.7	-	0.0
Other Capital Grants	1.7	1.1	0.6	54.5
Federal Pell Grant Program	9.1	10.4	(1.3)	(12.5)
Interest on Capital Assets - Related Debt	(0.8)	(0.7)	(0.1)	14.3
Payments to/from WCCC & Foundation	3.6	0.3	3.3	1100.0
Total Nonoperating Revenues (Expenses)	31.0	28.5	2.5	8.8
Increase in Net Position	3.4	1.7	1.7	
Net Position:				
Beginning of Year - As Restated	36.0	34.3	1.7	
Adjustment for Change In Accounting Principle	(11.6)	-	(11.6)	
Beginning of Year - As Restated	24.4	34.3	(9.9)	
End of Year	$ 27.8	$ 36.0	$ (8.2)	
Total Revenues (includes Other Scholarships)	$ 62.2	$ 60.6	$ 1.6	2.6 %

Operating Revenue increased $0.2 million, which includes a $0.1 million decrease in Tuition & Fees, a $1.2 million decrease in the credit for Tuition & Fee Allowances, which is for Grants paying Tuition, a $0.5 million decrease in Governmental Grants, and a $0.6 million decrease in Auxiliary Enterprises. Nonoperating Revenues increased $2.5 million, with a $3.3 increase in Foundation Revenues and a $1.3 million decrease in PELL Grant Revenues.

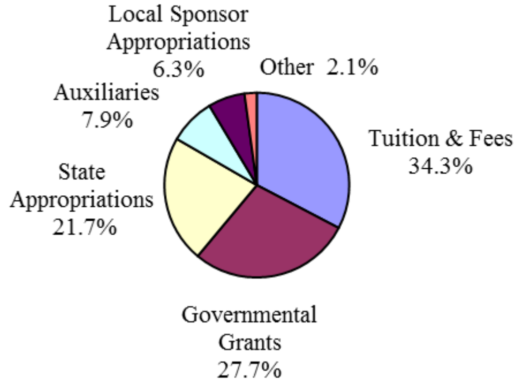
Student Tuition and Fee revenue remained almost level with the prior year even though student credit hour enrollment dropped by 9.1%. The decrease in Student Tuition and Fee revenue from the enrollment decline was offset by an increase in Student Tuition and Fee due to a $15 per credit increase in Student Tuition and Fee rates. The decrease in Auxiliary Enterprises revenues is mainly attributed to the enrollment decline, which reduced Bookstore sales.

Foundation Revenues received by the College increased due to donations provided to furnish the new Advanced Technology Center Building. The Pell Grant Revenue decrease can be associated with the enrollment decline, with fewer students receiving grants.

Revenues By Source
Fiscal 2015



Revenues By Source
Fiscal 2014
(As restated)



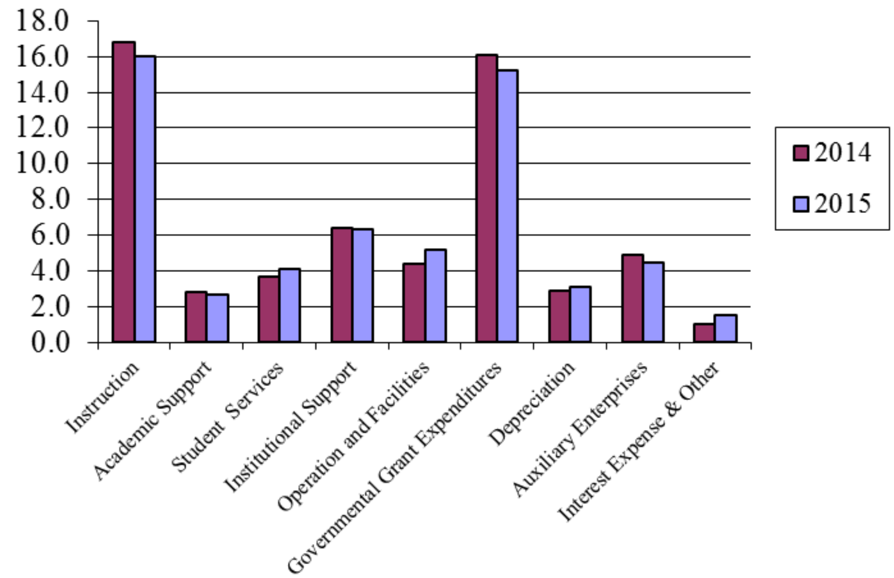
	Total Expenses (in millions) For the Years Ended June 30, 2015	2014 (as restated)	(Decrease) Increase	Percent Change
Operating Expenses:				
Instruction	$ 16.0	$ 16.8	$ (0.8)	(4.8) %
Academic Support	2.7	2.8	(0.1)	(3.6)
Student Services	4.1	3.7	0.4	10.8
Institutional Support	6.3	6.4	(0.1)	(1.6)
Operation and Facilities	5.2	4.4	0.8	18.2
Governmental Grant Expenditures (gross, with allowances)	15.2	16.1	(0.9)	(5.6)
Depreciation	3.1	2.9	0.2	6.9
Auxiliary Enterprises	4.5	4.9	(0.4)	(8.2)
Other Capital	0.7	0.4	0.3	75.0
Total Operating Expenses	57.8	58.4	(0.6)	(1.0)
Non-Operating Expenses:				
Interest on Capital Assets - Related Debt	0.8	0.6	0.2	33.3
Total Expenses (includes allowances)	$ 58.6	$ 59.0	$ (0.4)	(0.7) %

Total Operating Expenses for Fiscal 2015 decreased by $0.6 million over Fiscal 2014. The major expense fluctuations are a $0.8 million decrease in Instruction, a $0.4 million increase in Student Services, a $0.8 million increase in Facilities Operations, and a $0.9 million decrease in Governmental Grants Expenditures.

The expense decrease in Instruction can all be attributed to a reduction in faculty wages associated with the enrollment decline. Since enrollment was less, there were fewer classes held and less faculty wages to pay. Contributing to the increase in the Student Services area was a new operational department for the Advanced Technology Center, which included employee wages & benefits as well as expenses. The increase in Facilities Operation expenses is mainly due to the purchase of supplies in preparation for the opening of the Advanced Technology and Latrobe Education Centers.

The $0.9 million decrease in Governmental Grant expenses is mainly attributed to a $1.3 million decrease in PELL Grants. There also was an increase of $827,000 in Governmental Grant expenses that is due to the recognition of a liability for the potential return of federal student financial assistance funds applied to students accounts during the 2014-15 fiscal year. Further details of this can be found in the notes to the Financial Statements.

Expense Comparisons 2014 and 2015



Analysis of Net Fixed Capital Assets (in millions)
As of June 30,

	2015	2014 (as restated)	Increase (Decrease)	Percent Change
Fixed Capital Assets:				
Land	$ 2.8	$ 2.8	$ -	- %
Buildings and Improvements	75.9	62.9	13.0	20.7
Equipment and Furniture	32.7	27.4	5.3	19.3
Construction in Progress	10.4	15.5	(5.1)	(32.9)
Total Fixed Capital Assets	121.8	108.6	13.2	12.2
Less Accumulated Depreciation	(66.5)	(63.0)	(3.5)	5.6
Net Fixed Capital Assets	$ 55.3	45.6	9.7	21.3 %

As of June 30, 2015, the College had $121.8 million invested in Capital Assets and $66.5 million in Accumulated Depreciation, resulting in $55.3 million in Net Fixed Capital Assets. The College continued to make significant investments in both facilities and technology. The net additions to Total Fixed Assets amounted to $13.2 million for the 2015 fiscal year. The most significant increase in Capital Assets was $13.0 million in Buildings and Improvements. This is for the renovation of space at a site near New Stanton, PA that contains the Advanced Technology Center. There was a decrease of $10.7 million in Construction In Progress related to the Advanced Technology Center, as well as an increase of $5.6 million for the Latrobe Education Center building. Net Fixed Capital Assets increased by $9.7 million, which includes an increase in Accumulated Depreciation of $3.5 million.

The College's total Long-Term Debt decreased to $27.4 million in Fiscal 2015 down from $30.9 million in Fiscal 2014. This decrease was due to payments being made on current Long-Term Debt Loans along with no additions to Long-Term Debt. The number of outstanding loans for Long-Term Debt remained at six for the 2015 fiscal year. These loans were incurred for the purchase, construction, and renovation of buildings at the Youngwood Campus, Education Centers located in Westmoreland County, Greene County, and Indiana County, and the Regional Safety Training Center. The loan payments are primarily funded by State Appropriations, Local Sponsor Appropriations, and Westmoreland County Community College Education Foundation Donations. The outstanding loans are payable over various time periods, with the earliest being paid off in the 2016 fiscal year and the latest in the 2032 fiscal year.

Fiscal Outlook

State appropriations, County appropriations, student tuition and fees, and governmental grants compose the College's principal revenue sources and support the College's operational needs and its abilities to expand programs and pursue other initiatives. The viability of each of these four critical revenue components is highly dependent on variables external to the College such as enrollment trends, local and state economic conditions, federal, state and local legislative actions and others. The College's ability to manage fluctuations within these revenue sources, as well as potential increases in employee benefits, will be vital to its continued success.

As part of the College's Strategic Plan, the College is identifying and implementing operational and financial efficiencies to meet current and future needs. Projects that help meet this goal include: establishing a two-year budget request process for directors, enhancing financial statements to include a comparative analysis with a narrative regarding prior year and current year actual, and developing a process for budget and enrollment projections.

In order to expand the educational opportunities for students, the College has initiated a Dual Enrollment Program. The Westmoreland County Community College Dual Enrollment Program allows qualified high school juniors and seniors to experience college while simultaneously completing their high school requirements. The program enhances confidence and capabilities and enables students to challenge themselves and start college early. Dual enrollment is an opportunity that allows high school and home school students to earn college credits for courses taken through a postsecondary institution while still attending high school. Students will be enrolled in both the high school and the postsecondary institution. Dual Enrollment will make students better prepared for college by experiencing college academics early and may allow students to earn a college degree in less time. Students can continue their education at the Community College after high school, having already completed a number of courses.

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WESTMORELAND COUNTY COMMUNITY COLLEGE

STATEMENTS OF NET POSITION
AS OF JUNE 30, 2015

	WCCC	WCCC Foundation
ASSETS AND DEFERRED OUTFLOW OF RESOURCES		
Current Assets		
Cash and cash equivalents	$ 11,426,623	$ 1,192,740
Investments - short-term	700,000	-
Student accounts receivable, net	182,614	-
Contribution and other receivables, net	1,891,789	70,916
Prepaid expenses	399,396	4,231
Inventories	803,294	-
Total Current Assets	15,403,716	1,267,887
Non-Current Assets		
Capital assets, net	55,344,665	-
Investments - long-term	1,000,000	908,503
Endowments restricted	-	1,122,893
Contributions and other assets, net	-	9,104
Total Noncurrent Assets	56,344,665	2,040,500
Total Assets	71,748,381	3,308,387
Deferred Outflow of Resources		
Deferred amounts from debt refunding	223,798	-
Deferred amounts from net pension liability	695,762	-
Total Deferred Outflow of Resources	919,560	-
Total Assets and Deferred Outflow of Resources	$ 72,667,941	$ 3,308,387
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current Liabilities		
Accounts payable	$ 532,206	$ 61,950
Current portion - long-term debt	3,622,003	-
Accrued liabilities	1,784,269	1,524
Payroll liabilities	2,249,393	-
Compensated absences	428,867	-
Deferred revenues	185,744	73,200
Total Current Liabilities	8,802,482	136,674
Non-Current Liabilities		
Net pension liability	9,650,244	-
Long-term debt, net of current portion	23,822,844	-
Total Noncurrent Liabilities	33,473,088	-
Total Liabilities	42,275,570	136,674
Deferred Inflow of Resources		
Deferred amounts from net pension liability	2,604,786	-
Net Position		
Net investment in capital assets	28,123,616	-
Restricted		
Expendable	-	1,503,593
Nonexpendable	-	561,298
Unrestricted	(336,031)	1,106,822
Total Net Position	27,787,585	3,171,713
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 72,667,941	$ 3,308,387

See notes to financial statements.

WESTMORELAND COUNTY COMMUNITY COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	WCCC	WCCC Foundation
OPERATING REVENUES		
Student tuition and fees	$ 19,709,046	-
Less: Other scholarships	(3,499,215)	-
Net student tuition and fees	16,209,831	-
Governmental, contributions and other grants	5,151,170	$ 656,738
Auxiliary enterprises		
Bookstore	3,917,788	-
Auxiliary	408,210	-
Other operating revenue	1,173,964	-
Total Operating Revenue	26,860,963	656,738
EXPENSES		
Educational and general		
Instruction	16,043,763	-
Academic support	2,676,968	-
Student services	4,115,641	-
Institutional support	6,329,255	322,727
Operation and facilities	5,192,636	-
Governmental grant expenditures, net of allowances	11,732,339	-
Scholarships and program expenses	-	190,361
Fundraising	-	32,056
Depreciation	3,107,883	-
Amortization	705,577	-
Auxiliary enterprises		
Bookstore	3,509,442	-
Auxiliary	1,041,712	-
Total Operating Expenses	54,455,216	545,144
Operating (Loss) Income	(27,594,253)	111,594
NONOPERATING REVENUES (EXPENSES)		
State appropriations	11,252,236	-
Local appropriations	1,423,370	-
State and local capital appropriation	4,693,763	-
Federal Pell Grant Program	9,132,510	-
Other capital grants	1,685,695	-
Investment income	28,636	52,063
Gain on investments	-	41,874
Interest on capital assets-related debt	(810,406)	-
Loss on sale assets	(180)	-
Payments to/from WCCC & Foundation	3,571,424	(3,571,424)
Total Nonoperating Revenues (Expenses)	30,977,048	(3,477,487)
Increase (Decrease) In Net Position	3,382,795	(3,365,893)
Net Position		
Beginning of year - As restated (See Note 2)	35,969,536	6,537,606
Adjustment for change in accounting principle (Note 1)	(11,564,746)	-
Beginning of year, as restated	24,404,790	6,537,606
End of year	$ 27,787,585	$ 3,171,713

See notes to financial statements.

WESTMORELAND COUNTY COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

	WCCC	WCCC Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments received for tuition and fees	$ 16,903,547	-
Payments received for grants and contracts	4,909,308	-
Payments received for contributions	-	$ 983,489
Payments to suppliers	(13,213,531)	(267,094)
Payments to utilities	(3,387,105)	-
Payments to employees	(21,789,678)	-
Payments for benefits	(8,135,247)	-
Payments of scholarships and program expenses	-	(149,217)
Auxiliary fund	(633,502)	-
Bookstore fund	378,856	-
Other receipts	980,940	-
Net Cash (Used In) Provided By Operating Activities	(23,986,412)	567,178
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	11,252,236	-
Local appropriations	1,423,370	-
Federal appropriations	9,132,510	-
Other receipts (payments) (including WCCC affiliations payments and receipts)	305,621	(305,621)
Net Cash Provided By (Used In) Noncapital Activities	22,113,737	(305,621)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
State capital appropriation	2,395,585	-
Local capital appropriations	2,298,178	-
Capital grants	1,685,695	-
Purchases of capital assets	(13,592,538)	-
Principal paid on capital debt	(3,495,000)	-
Interest paid on capital debt	(801,483)	-
Decrease in restricted cash	4,023,851	-
Other capital receipts (payments) (including WCCC affiliations payments and receipts)	3,265,803	(3,265,803)
Net Cash Used In Capital Activities	(4,219,909)	(3,265,803)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments, net	-	148,021
Investment income	30,236	52,063
Net Cash Provided By Investing Activities	30,236	200,084
Net Decrease In Cash And Cash Equivalents	(6,062,348)	(2,804,162)
CASH AND CASH EQUIVALENTS		
Beginning of year	17,488,971	3,996,902
End of year	$ 11,426,623	$ 1,192,740

	WCCC	WCCC Foundation
RECONCILIATION OF NET OPERATING (LOSS) INCOME TO NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITITES		
Operating (loss) income	$ (27,594,253)	$ 111,594
Adjustments to reconcile net operating (loss) income to net cash (used in) provided by operating activities		
Depreciation	3,107,883	-
Amortization	705,577	-
Bad debt expense	150,000	-
Changes in assets and liabilities		
Receivables, net	271,913	326,751
Inventories	(29,490)	-
Prepaid expenses	512,650	32,862
Accounts payable	328,113	61,950
Accrued expenses	(1,476,439)	(39,179)
Payroll liabilities	11,546	-
Compensated absences	1,625	-
Deferred revenues	29,941	73,200
Deferred outflows	(485,452)	-
Deferred inflows	2,604,786	-
Net pension liability	(2,124,812)	-
Net Cash (Used In) Provided By Operating Activities	$ (23,986,412)	$ 567,178

See notes to financial statements.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Westmoreland County Community College (WCCC or College), established in 1970, provides associate, vocational and continuing education courses to residents of Westmoreland County (County) and the surrounding area. WCCC is a component unit in the governmental reporting entity of Westmoreland County. WCCC is a legally separate organization for which the nature and significance of the relationship with the County is such that exclusion from the audited financials of the County would cause the financials of the County to be misleading or incomplete. As a result, WCCC's financial statements will be included in the County's December 31, 2015 Comprehensive Annual Financial Report.

WCCC is operated by a 15-member board of trustees (Board) who are appointed by the Westmoreland County Commissioners. Board members can be reappointed to six-year terms with no more than five board members subject to reappointment every other year. This Board has decision-making responsibility to significantly influence operations and primary accountability for fiscal matters. Westmoreland County also appropriates and disburses funds to WCCC that are utilized in the operation of WCCC.

The main campus is located in Youngwood, Pennsylvania with eight off-campus centers located in Westmoreland, Greene, Fayette and Indiana counties. Primary revenue sources for WCCC are student tuition and fees and federal, county and state appropriations and grants. State appropriations are to fund allowable operating and capital costs based upon formulas set by the Pennsylvania Department of Education. Westmoreland County, as local sponsor of WCCC, contributes to the operating and capital costs of the College. Student tuition and fees fund the remaining balance of revenue.

WCCC implemented the Governmental Accounting Standards Board (GASB) Statement No. 39 *Determining Whether Certain Organizations Are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity* to provide additional guidance to determine whether certain organizations for which WCCC is not financially accountable should be reported as a component unit based on the nature and significance of their relationship to WCCC. As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of WCCC as well as its component unit the Westmoreland County Community College Education Foundation, Inc. (Foundation).

The Foundation was incorporated under the nonprofit corporation law of the Commonwealth of Pennsylvania (Commonwealth) on October 21, 1985 and is a 501(c)(3) organization as described by the Internal Revenue Code (IRC) and is exempt from federal and state income taxes. The Foundation's purpose is to enhance, improve and expand the educational programs, curriculum and facilities of WCCC and to broaden and extend the educational opportunities for students by awarding scholarships, grants and loans.

The discretely presented component unit, the Foundation, is an organization that is legally separate from WCCC but is considered part of the reporting entity. In accordance with generally accepted accounting standards as prescribed by the Financial Accounting Standards Board (FASB), the Foundation has certain revenue recognition criteria and presentation features that are different from GASB revenue recognition criteria and presentation features. The Foundation is required to report information regarding its financial position and activities according to three classes of net assets (reported as net position in these financial statements): unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. No modifications have been made to the Foundation's financial information in WCCC's financial reporting entity for these differences.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Basis of Presentation - The College is a special-purpose government entity engaged in business-type activities. Accordingly, the financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, using the economic measurement focus and the accrual basis of accounting. The financial statements of the Foundation are also presented under the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned and expenses are recorded when incurred. The College follows accounting principles issued by the GASB. The presentation provides a comprehensive entity-wide perspective of the College's assets, deferred outflow of resources, liabilities, deferred inflow of resources, net position, revenues, expenses, and changes in net position, and the direct method of cash flow presentation.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - Cash consists of all highly liquid investments with maturities of three months or less to be cash equivalents and are stated at fair value. Cash and cash equivalents that are restricted or intended for capital expenditures are classified as noncurrent assets and are not cash and cash equivalents for purposes of the statement of cash flows.

Investments - Investments in securities, consisting of certificates of deposits, equity and fixed-income securities and U.S. Treasury notes, are recorded at fair value based on quoted market values, with changes in market value during the year reflected in the statement of revenues, expenses, and changes in net position. Purchases and sales of investments are accounted for as of the trade date. (See Note 4.)

Student Accounts Receivable - Student Accounts Receivable consist of amounts due for tuition and fees. Uncollectible amounts have been reserved based on the student's enrollment status and historical collection experience.

Other Receivables - Other receivables consists of amounts due for grants and contracts from federal, state and local governments, or private sources, made in accordance with agreements. Uncollectible amounts have been reserved based on outstanding balance of the receivables.

Promises to Give - Contributions are recognized when a donor makes a promise to give to the Foundation that is in substance unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Foundation's major campaign pledges are generally collected in one to five years. For each active campaign year, a reasonable provision for uncollectible pledges is recorded based upon the collection history of the three completed previous campaigns as calculated by management. The Foundation's promises to give are classified on the statement of net position under contributions and other receivables. (See Note 8.)

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory - Inventory consists of bookstore and office supplies, and is valued at the lower of cost or market. The first-in, first out (FIFO) method is used to determine the cost of inventories. (See Note 9.)

Capital Assets - Acquired fixed assets are stated at cost at the date of acquisition. Donated fixed assets are recorded at their estimated fair market value at the date of donation in the case of gifts. The assets are being depreciated by the straight-line method over their estimated useful lives and are included as a separate functional expense category in the statements of revenues, expenses, and changes in net position. The estimated useful lives are as follows:

Buildings	30 years
Improvements	20 years
Equipment and furniture	10 years
Other	5 years
Vehicles	5 years
Library books and tapes	5 years
Computer equipment	5 years

Expenditures for maintenance, repairs and betterments that do not materially extend the useful life of an asset are charged to operations as incurred. Renewals and betterments that substantially extend an asset's useful life are capitalized.

Compensated Absences - Employees of WCCC are entitled to paid vacation, paid sick days and personal days off, depending on job classification and length of service. Employees are represented by two (2) labor unions, and each contract contains different provisions for such employee-compensated absences. In addition, nonunion employees also have contracts or agreements with WCCC that provide for compensated absences. The estimated and accrued liability is recorded at year-end in the statements of net position, and the net change from prior year is recorded as a component of operating expense in the statements of revenues, expenses, and changes in net position.

Deferred Revenues and Students' Deposits - Deposits and advance payments received for tuition and fees related to the College's summer programs and the following academic year are deferred and are recorded as revenues as earned.

Bond Premiums & Discount - Bond premiums and discounts are amortized over the term of the bonds. Bond premiums are presented as an increase in the face amount of the applicable debt payable, while discounts are presented as a decrease in the face amount of the debt payable.

Deferred Outflows of Resources - In addition to assets, the statements of net position reports 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 future periods; therefore, it will not be recognized as an outflow of resources (expense/expenditure) until then. The College's deferred outflows of resources are related to the net pension liability. They also consist of deferred charges arising from the refinancing of debt. The College recorded total deferred outflows of resources of $919,560 at June 30, 2015. More detailed information can be found in Note 14.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources - In addition to liabilities, the statements of net position reports 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; therefore, it will not be recognized as an inflow of resources (revenue) until that time. The College's deferred inflows of resources is related to the net pension liability. The College recorded total deferred inflows of resources of $2,604,786 at June 30, 2015. More detailed information can be found in Note 14.

Pensions - Employees of the College are provided pension benefits through three available pension plans. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense information about fiduciary net position of the Pennsylvania State Employees' Retirement System (SERS) and the Public School Employees' Retirement System (PSERS) and additions to/deductions from SERS's and PSERS's fiduciary net position have been determined on the same basis as they are reported by SERS and PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position - Net position is classified into three major categories:

- Net investment in capital assets - This category includes all of the College's capital assets, net of accumulated depreciation, reduced by outstanding debt attributable to the acquisition, construction or improvement of those assets.

- Restricted - Owned by the College and Foundation, but the use or purpose of the funds is restricted by an external source or entity. The restricted net position category is subdivided further into expendable and nonexpendable.

    - Restricted expendable - The Foundation's temporarily restricted net assets that are restricted for a specific use or time determined by a donor are included in this category.

    - Restricted nonexpendable - This category includes the Foundation's endowment funds whose principal may be invested; however, only interest, dividends, and capital gain may be spent.

- Unrestricted - Resources derived primarily from student tuition, fees, appropriations, and auxiliary enterprises. They are used for the general obligations of the College and may be used at the discretion of the Board of Trustees for any purpose furthering the College's mission.

Use of Restricted Net Position - When an expense is incurred that can paid using either restricted or unrestricted resources, the College's policy is to apply the expense at the discretion of the College management.

Fair Value Measurement - The framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The three levels of the fair value hierarchy under the Fair Value Measurement topic are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the College has the ability to access.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., currency rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. (See also Note 5.)

Endowment - The Foundation follows the provisions of the Codification topic Presentation of Financial Statements for Not-for-Profit Entities as it relates to the presentation of donor-restricted and Board-designated endowment funds. A portion of the Foundation's net assets are donor-restricted endowment funds, which are governed by the Commonwealth Act 141 (Act 141). Act 141 permits integration of total return policy that allows a nonprofit to choose to treat a percentage of the average market value of the endowment's investments as income each year. (See Note 6.)

Classification of Revenue - Revenue is classified as either operating or non-operating:

- Operating revenue includes revenue from activities that have characteristics similar to exchange transactions. These include student tuition and fees (net of scholarship discounts), sales and services of auxiliary enterprises, certain federal, state, local, and private grants, and contracts. Included within other operating revenue is approximately $770,000 in reimbursed Employee FICA expense received from the state. The presumption is that there is a fair exchange of value between all parties to the transaction.

- Non-operating revenue includes revenue from activities that have the characteristics of non-exchange transactions, such as appropriations, certain federal, state and local grants. The implication is that such revenues are derived from more passive efforts related to the acquisition of the revenue, rather than the earning of it.

Scholarship Discounts - Student tuition and fees revenue and certain other revenues from College charges are reported net of scholarship discounts in the accompanying statements of revenue, expenses and changes in net position. The scholarship discount is the difference between the actual charge for goods and services provided by the College and the amount that is paid by students or by third parties on the students' behalf. Student financial assistance grants, such as Pell grants and other federal, state, or non-operating programs are recorded as either operating or non-operating revenues in the accompanying statements of revenues, expenses and changes in net position. To the extent that revenues from these programs are used to satisfy tuition, fees, and other charges, the College has recorded a scholarship discount.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foundation Public Support and Revenue - Capital campaign contributions are generally available for unrestricted use in the related campaign year unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are recorded at the present value of the net realizable value using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. The majority of the promises to give are received from a broad base of Westmoreland County contributors as a result of the capital campaign.

Other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenues, expenses and changes in net position as net assets released from restrictions. Endowment contributions and investments are recorded as restricted if specified by the donor.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

WCCC Affiliations Payments and Receipts - The Foundation receives contributions restricted by the donor or grantor for purposes of scholarships, capital expenditures, and other academic programs. The Foundation transfers certain of those contributions to WCCC who expends these funds in accordance with the purposes specified by the donor or grantor.

Bond Interest Expense - Interest expense is capitalized on qualifying assets during the period necessary to ready the assets for its intended use. Interest capitalized is net of interest earnings, if any, from proceeds of tax-exempt borrowings for the respective projects. For fiscal year 2015, total interest incurred amounted to $969,273, of which $158,867 was capitalized.

Income Taxes - WCCC is exempt from filing income taxes and information returns under the Internal Revenue Service Reg. 1.501(c) and IRC Section 6033A(a)(c)(ii) as described in IRC Section 170(b)(l)(A)(ii).

The Foundation is also a tax-exempt organization under Section 501(c) (3) of the IRC and is also classified as an entity that is not a private foundation. The Foundation follows the Codification topic on Income Taxes. The topic prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. The Foundation classifies interest and penalties as tax expense, if incurred. The Foundation’s statement of net position at June 30, 2015 does not include any liabilities associated with uncertain tax positions; further, the Foundation has no unrecognized tax benefits. The Foundation believes that it is no longer subject to examination of its tax returns for years before 2012.

Functional Expense Allocation - The costs of providing the various programs and support services have been summarized on a functional basis in the statements of revenues, expenses, and changes in net position. Certain costs have been allocated among the programs and support services benefited. Although methods of allocation used are considered appropriate, other methods could be used that would provide different amounts.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements Adopted - GASB Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*, is effective for the year ended June 30, 2015. The objective of this statement is to improve accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of these statements. Implementation of Statement No. 66 had no effect on WCCC's financial statements for the year ended June 30, 2015.

GASB Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, is effective for WCCC's pension plans for the year ended June 30, 2015. The objective of this statement is to standardize accounting and financial reporting for the activities of pension plans that are administered through trusts and meet the characteristics as defined by this statement. The requirements of this statement improved financial reporting primarily through enhanced note disclosures and schedules of required supplementary information. Implementation of Statement No. 67 had no effect on WCCC's financial statements for the year ended June 30, 2015.

The GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.* Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. Statement No. 71 is a clarification to GASB 68 requiring a government to recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The statements also enhance accountability and transparency through revised note disclosures and required supplementary information (RSI).

The implementation of these pronouncements had the following effect on the net position as reported July 1, 2014:

	SERS	PSERS	TOTAL
Net position July 1, 2014 after restatement (See Note 2)	-	-	$ 35,969,536
Adjustment for change in accounting principle:			
Net pension liability	$ (8,746,056)	$ (3,029,000)	(11,775,056)
Deferred outflows - payments subsequent to measurement date	126,305	84,005	210,310
Restated net position July 1, 2014 for adoption of GASB No. 68			$ 24,404,790

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations,* is effective for WCCC for the year ended June 30, 2015. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions and transfers of operations. This statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. Implementation of Statement No. 69 had no effect on WCCC's financial statements for the year ended June 30, 2015.

GASB Statement No. 70*, Accounting and Financial Reporting for Nonexchange Financial Guarantees,* is effective for WCCC for the year ended June 30, 2015. The objective of this statement is to improve the recognition, measurement and disclosure guidance for state and local governments that have extended or received financial guarantees that are nonexchange transactions. Implementation of Statement No. 70 had no effect on WCCC's financial statements for the year ended June 30, 2015.

The GASB has issued the following statements not yet implemented by WCCC. WCCC's management is currently evaluating these standards to determine the effect, if any, these statements will have on WCCC's financial statements.

GASB issued Statement No. 72, *Fair Value Measurement and Application*, which provides guidance for determining a fair value measurement for financial reporting purposes. This statement is effective for reporting periods beginning after June 15, 2015.

GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, which provides amendments to certain provisions of Statements No. 67 and No. 68 regarding supplementary information, separately financed specific liabilities, and the timing of employer recognition of revenue for pension support. This statement is effective for reporting periods beginning after June 15, 2015.

GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which provides guidance on reporting OPEB plans similar to how pension plans are reported under Statement 67. This statement is effective for reporting periods beginning after June 15, 2016.

GASB issued statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which provides guidance on reporting OPEB liabilities similar to how pension liabilities are now reported under Statement 68. This statement is effective for reporting periods beginning after June 15, 2017.

GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, which clarifies and prioritizes the sources of generally accepted accounting principles used to prepare financial statements of state and local government entities. This statement is effective for reporting periods beginning after June 15, 2015.

NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB issued Statement No. 77, *Tax Abatement Disclosures*, which provides guidance for reporting tax abatements granted by state and local governments that reduces the tax revenue that the government would have received. This statement is effective for reporting periods beginning after June 15, 2015.

GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, which is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement is effective for reporting periods beginning after December 15, 2015.

NOTE 2 - PRIOR PERIOD RESTATEMENTS

Based on current year analysis of the financial statement balances, management evaluated its accounting methodologies for compliance with accounting principles generally accepted in the United States of America (GAAP). It was determined that certain of the College's accounting policies should be corrected so that the College's financial statements are fully compliant with GAAP. These changes required the correction of several errors in balances from prior years and are summarized as follows:

Depreciation Adjustment

The College has adopted a half-year convention in compliance with GAAP standards. The depreciation calculation had been including current fiscal year capital asset purchases for a full year of depreciation within the year of purchase. The depreciation policy now includes current fiscal year capital asset purchases for a half-year of depreciation within the year of purchase. The beginning net position of the College as of June 30, 2014 was restated with a prior period adjustment related to the correction of accumulated depreciation. This resulted in an increase in capital assets and the net position as of June 30, 2014 by $1,461,208.

Prepaid Expense Adjustment

The College historically has incorrectly recognized expense cut-off on certain annual and monthly contracts. Previously, a number of contracts had been recorded as expenses within the fiscal year the contract was established, regardless to consideration of the fiscal year the contract was actually covering. This resulted in expenses being reflected in the fiscal year preceding the actual coverage period fiscal year. The College corrected its policy to correctly reflect such expenses within the fiscal year of coverage. The net position of the College as of June 30, 2014 was restated to reflect accurate expense cut-off. This resulted in an increase in the net position and prepaid expenses as of June 30, 2014 by $953,749 and $900,539, respectively, and a decrease to accounts payable of $53,210. There additionally was a payment to a contractor related to construction in progress during the 2014-2015 fiscal year that was for work completed prior to year-end. This resulted in an increase in Construction In Process and Accrued Liabilities in the amount of $289,340 for the fiscal year ended June 30, 2014, but did not impact net position.

NOTE 2 - PRIOR PERIOD RESTATEMENT (Continued)

Loan Interest Expense Adjustment

The College was not accurately accruing loan interest expense which was due but not paid. Previously, the interest expense covering the six month periods leading up to the October 15 and April 15 loan payments were reflected as interest expense for the fiscal year when paid. The College now accrues the interest expense on outstanding debt through June 30 of each fiscal year. The beginning net position of the College as of June 30, 2014 was restated with a prior period adjustment, resulting in an increase in accrued liabilities and a decrease in the net position as of June 30, 2014 by $212,712.

Capital Grant Revenue Adjustment

The College historically has incorrectly recognized grant revenue from the government grants when a purchase order is committed. Previously, if an item being funded with grant funds had a purchase order created and the item had been ordered by June 30, the revenue for that item was reflected in the fiscal year the purchase order was generated. The College now reflects the revenue within the fiscal year the item has been received and there is an obligation to pay for the item. The beginning net position of the College as of June 30, 2014 was restated with a prior period adjustment, resulting in a decrease in grant receivables and in the net position as of June 30, 2014 by $438,963.

Foundation Net Position Reclassifications

The College reviewed the classification of funds that make up the net position for the Foundation. As a result, there were reclassifications between the Unrestricted and Temporarily Restricted Net Position. This was applied retroactively to the 2013-2014 fiscal year. For the year ended June 30, 2014, this resulted in a $188,302 increase in Temporarily Restricted funds and a decrease for the same amount in Unrestricted funds. There was no impact on the total net assets of the Foundation.

Prior Period Restatement Summary

The cumulative effect on the College's net position as of June 30, 2014 is as follows:

Balance as previously reported - June 30, 2014	$	34,206,254
Effect of prior period adjustments		1,763,282
June 30, 2014 - As Restated	$	35,969,536

For the year ended June 30, 2014, these restatements would have resulted in additional expenses of $107,676 and reduction of revenues of $438,963 relative to the Change in Net Position.

NOTE 3 - SATISFACTORY ACADEMIC PROGRESS LIABILITY

The College receives significant financial assistance from Federal and Commonwealth agencies in the form of grants and student financial assistance for students. Total assistance received during the year ended June 30, 2015 under these programs approximated $20,000,000. Expenses of funds under these programs require compliance with the applicable grant agreements and regulations, and are subject to audit. Any ineligible disbursements identified may become a liability of the College.

Upon hiring a new Director of Financial Aid in the current year, the College discovered an issue concerning its compliance with the satisfactory academic progress (SAP) standards of the U.S. Department of Education (ED), which measure students' academic progress and resulting eligibility for Federal Student Financial Assistance under Title IV of the Higher Education Act of 1965, as amended (Title IV). The amount of Title IV funds inappropriately disbursed to current and former students due to the College's failure to comply with the ED SAP requirements cannot reasonably be determined at June 30, 2015. However, the College calculated an estimate of the potential amount of funds improperly awarded based on a calculation relating a sample of students to the entire population of students for the year ended June 30, 2015. The College developed the estimate by utilizing and applying the ED's estimated actual loss methodology to the Federal Direct Student Loans portion of that amount, which is an approach that ED regularly uses to calculate a repayment amount for Federal Direct Student Loans. This resulted in an estimation of potential repayment liability of approximately $827,000, based on 2015 activity. ED has the authority to determine the amount of Title IV funds that the College must repay, and ED has not yet reviewed this matter or assessed any liability against the College as of the date these financial statements were issued. The amount that ED assesses could be materially less than or greater than the amount estimated above, depending on final methodology and possible consideration of prior years' activity. As a result, the College has recorded an accrual of $827,000 for this matter. This amount is included in the Financial Statements in Accrued Liabilities under the Current Liabilities section, and in Governmental Grants under the Expense section.

NOTE 4 - DEPOSITS, CASH AND CASH EQUIVALENTS, AND INVESTMENTS

WCCC Deposits - At June 30, 2015, the carrying amount of WCCC reconciled cash accounts (checking accounts and money markets) was $11,426,623, compared to the bank balances of $12,725,268. Of the bank balances, $250,000 was covered by Federal Depository Insurance Corporation (FDIC), and the remaining balances were secured by pledged bank collateral under the pooled collateral agreement described in Pennsylvania Act 72. WCCC does not carry any bank balance over and above the insured and secured amounts.

WCCC's investment portfolio may include investments in the following:

- Fixed-income investments - Limited to obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America and the Commonwealth of Pennsylvania, or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth.

NOTE 4 - DEPOSITS, CASH AND CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Cash equivalent investments -

- Instruments issued by, guaranteed by, or insured by the United States government, and
- Certificates of deposits issued by national banks which are insured by FDIC or for any amounts above the insured maximum, provided that approved collateral in accordance with the Act 72, and
- Short-term cash reserve funds issued by national banks which are insured by FDIC or for any amounts above the insured maximum, provided that approved collateral in accordance with the Act 72.

Foundation Deposits - At June 30, 2015, the carrying amount and bank balances of Foundation cash accounts (checking accounts and money markets) was $1,192,740. Of the bank balances, $250,000 was covered by FDIC, and the remaining balance was secured by pledged bank collateral under the pooled collateral agreement described in Pennsylvania Act 72. The Foundation does not carry any bank balance over and above the insured and secured amounts.

The Foundation's investment portfolio may include the following investments:

- Equities -
  - Equity holdings in any one company shall not exceed 10% of the equity portfolio market value, and
  - Not more than 35% of the market value of the portfolio shall be invested in any one of the Standard & Poor's Economic sectors.
- Fixed income -
  - U.S. Treasury bills, notes, or bonds, which management's expectation is to reinvest these assets into other U.S. Treasury bills. The College classified all of these investments as long-term.
  - Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, and Student Marketing Association or other government agency notes, bonds, and debentures,
  - Commercial Paper rated A-1 or P-1,
  - Negotiable Certificates of Deposit and banker's acceptance issued by a financial institution that maintains FDIC insurance in an amount equal to or less than available coverage,
  - Collateralized repurchase agreements maturing in 30 days or less where the security interest in the collateral is perfected,

NOTE 4 - DEPOSITS, CASH AND CASH EQUIVALENTS, AND INVESTMENTS (Continued)

  - Corporate debt obligations,
  - Mortgage pass-through, collateralized mortgage and other securitized debt obligations,
  - Taxable municipal bonds, and
  - Preferred stocks.

- Mutual funds - may be invested in investment companies registered under the Investment Company Act of 1940 (mutual funds).

As of June 30, 2015, values and maturities of WCCC's and the Foundation's investments are as follows:

Investments	Maturities	Fair Value
WCCC:		
Certificates of deposit	1 to 3 years	$ 1,700,000
Foundation:		
S&T wealth management *		1,808,151
U.S. treasury notes	August 2015 - 2018	223,245
		$ 3,731,396

* Includes equity and fixed-income mutual funds.

Investments as of June 30, 2015 are as follows:

	Cost	Fair Value	Carrying Value
WCCC:			
Certificates of deposit	$ 1,700,000	$ 1,700,000	$ 1,700,000
Foundation:			
Securities, equity and fixed-income	$ 1,449,444	1,808,151	1,808,151
U.S. treasury notes	266,894	223,245	223,245
	$ 3,416,338	$ 3,731,396	$ 3,731,396

NOTE 4 - DEPOSITS, CASH AND CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Summarized investment return and net position classification for the year ended June 30, 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
WCCC:				
Interest and dividends	$ 28,636	-	-	$ 28,636
Foundation:				
Interest and dividends	18,164	$ 33,899	-	52,063
Realized and unrealized gains, net	13,194	16,203	$ 12,477	41,874
Total return on investments	$ 59,994	$ 50,102	$ 12,477	$ 122,573

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. WCCC has a formal investment policy that high and moderate volatile investments, including all equity investments, are to be avoided as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. WCCC's investment policy limits its investment choices to fixed income investments limited to obligations of the United States of America or any agency or instrumentalities backed by the full faith and credit of the United States of America and the Commonwealth or any of its agencies or instrumentalities backed by the full faith or credit of the Commonwealth.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

NOTE 5 - FAIR VALUE MEASUREMENTS

The methods for valuing the Foundation's investments, by significant category, are as follows:

Mutual Funds (equity and fixed-income) - Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Foundation are actively traded.

U.S. Treasury Notes - Valued at the closing price reported on the active markets on which individual securities are traded.

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

Total assets at fair value for the year ended June 30, 2015 were as follows:

	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Fixed-income securities	$ 797,517	-	-	$ 797,517
Equites	1,010,634	-	-	1,010,634
U.S. treasury notes	223,245	-	-	223,245
Total assets at fair value	$ 2,031,396	-	-	$ 2,031,396

The Foundation's financial instruments consist primarily of cash and cash equivalents, contributions and other receivables, investments, accounts payable, and other liabilities. The carrying amount of cash and cash equivalents, accounts payable, and other liabilities approximates their fair value due to the short-term nature of such instruments. The carrying amount of contribution and other receivables is recorded at the amount of expected future cash flows to be received, which approximates their fair value.

NOTE 6 - ENDOWMENTS

The Foundation's endowment consists of 23 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law - The Board of the Foundation has elected to be governed by provisions of Act 141. Act 141 requires an organization to adopt and follow a "total return" investment policy to seek the best total return on the principal, whether from capital appreciation, earnings or both. If Act 141 is applicable and elected by an organization, the Board is required to make an annual "spending" election of between 2% and 7% of the value of endowment assets. For purposes of this provision, the value of the trust principal is the fair market value of the trust assets averaged over the past three or more years. In addition to the use of Act 141 for donor restricted endowment funds, the Board has not used Act 141 as a framework for its restricted or unrestricted Board-Designated endowment funds.

The Foundation considers the following factors in making a determination to spend or accumulate donor restricted funds:

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

NOTE 6 - ENDOWMENTS (Continued)

The following represents endowment fund net assets and changes in donor-restricted and Board-designed endowment net assets for June 30, 2015:

	Board-Designated Unrestricted (As restated)	Temporarily Restricted (As restated)	Permanently Restricted	Total
Beginning endowment (as restated)	$ 744,654	$ 506,293	$ 548,821	$ 1,799,768
Contributions	-	46,132	-	46,132
Investment income	17,345	25,255	-	42,600
Realized/unrealized Gains, net	20,024	16,203	12,477	48,704
Investment fees	(5,604)	(8,139)	-	(13,743)
Spend release for scholarships	(1,096)	(24,149)	-	(25,245)
Ending endowment	$ 775,323	$ 561,595	$ 561,298	$ 1,898,216

Temporarily restricted and unrestricted endowments are included in long-term investments.

Funds with Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2015.

Return Objectives and Risk Parameters - The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board, the primary objective of the endowment assets is the long-term growth of principal with generation of income without an undue exposure to risk. Assets are invested in a manner that is intended to produce results that meet or exceed various industry benchmarks, which are monitored by the investment advisory committee of the Board. Actual returns in any given year may vary.

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

NOTE 6 - ENDOWMENTS (Continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy - The Foundation has a policy of appropriating for distribution each year up to 7% of its endowment fund's average fair value over the prior five years through the fiscal year-end proceeding the fiscal year in which the distribution is planned. Approximately $25,000 was released for scholarships for the year ended June 30, 2015. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation expects the current spending policy to allow its endowment to grow. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

NOTE 7 - ACCOUNTS RECEIVABLE - STUDENTS

Students accounts receivable at June 30, 2015 consist of:

Accounts receivable - students	$	623,568
Less - Allowance for doubtful accounts		440,954
	$	182,614

NOTE 8 - CONTRIBUTION RECEIVABLE

Unconditional promises to give, recorded on the Foundation, consist of the following as of June 30, 2015:

Annual giving campaign contributions:		
Gross unconditional promises to give	$	84,144
Less - Allowance for uncollectible promises		4,124
Net unconditional promises to give	$	80,020
Amounts due in:		
Less than one year	$	70,916
One to five years		9,104
Net unconditional promises to give	$	80,020

NOTE 9 - INVENTORY

Inventories at June 30, 2015 consist of:

Bookstore	$	686,108
Office supplies		117,186
	$	803,294

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	July 1, 2014 (as restated)	Additions	Transfers	Retirements	June 30, 2015
Capital assets not being depreciated:					
Land	$ 2,798,297	-	-	-	$ 2,798,297
Construction in progress	15,525,128	$ 5,597,611	$ (10,739,327)	-	10,383,412
Total capital assets not being depreciated	18,323,425	5,597,611	(10,739,327)	-	13,181,709
Capital assets being depreciated:					
Buildings	37,827,773	-	-	-	37,827,773
Improvements	25,030,106	2,313,839	10,739,327	-	38,083,272
Equipment and furniture	25,273,891	5,631,283	-	$ (391,979)	30,513,195
Vehicles	333,512	20,325	-	-	353,837
Library books and tapes	1,790,524	29,480	-	-	1,820,004
Total capital assets being depreciated	90,255,806	7,994,927	10,739,327	(391,979)	108,598,081
Total capital assets	108,579,231	13,592,538	-	(391,979)	121,779,790
Less - accumulated depreciation	63,013,464	3,813,460	-	(391,799)	66,435,125
Capital assets - net	$ 45,565,767	$ 9,779,078	-	$ (180)	$ 55,344,665

NOTE 11 - LONG-TERM DEBT

Long-term debt at June 30, 2015 is summarized as follows:

	Beginning Balance	Additions	Repayments	Ending Balance	Current Portion
1998 Q Series	$ 3,390,000	-	$ 1,655,000	$ 1,735,000	$ 1,735,000
2004 Series	535,000	-	5,000	530,000	5,000
2008 Series A	1,835,000	-	345,000	1,490,000	355,000
2008 Series B	5,510,000	-	300,000	5,210,000	315,000
2012 Series A	15,625,000	-	690,000	14,935,000	710,000
2012 Series B	4,370,000	-	500,000	3,870,000	510,000
Total bonds	31,265,000	-	3,495,000	27,770,000	3,630,000
Bond premiums	(317,156)	-	7,997	(325,153)	(7,997)
Total long-term debt	$ 30,947,844	-	$ 3,502,997	$ 27,444,847	$ 3,622,003

NOTE 11 - LONG-TERM DEBT (Continued)

In November 1995, WCCC issued College Revenue Bonds Series of 1995 for $22,170,000. The proceeds from this issue were used to pay the various amounts due to Westmoreland County and for various other construction projects. The annual interest rates on the bonds range from 3.75% to 5.70%. See below where this bond was refunded by the 1998 Q Series. In November 1998, WCCC issued College Revenue Refunding Bonds Series Q of 1998 for $10,810,000. The proceeds were used to refund $10,530,000 of the Series 1995 Bonds and various construction projects. The annual interest rates on the bonds range from 3.60% to 5.25%. Series Q of 1998 Bonds matures in October 2015. Also in October 1998, WCCC issued College Revenue Bonds Series E of 1998 for $5,140,000. The proceeds were used to fund various construction projects at WCCC.

In May 2002, WCCC issued College Revenue Bonds Series of 2002 for $8,000,000. The proceeds from this issue were to finance a regional emergency services training center located on land owned by the College in South Huntingdon Township, Pennsylvania. The annual interest rates on the bonds range from 2.50% to 5.25%. In May 2012, WCCC issued College Revenue Bonds 2012 Series A for $16,975,000 and 2012 Series B for $4,900,000. The proceeds from Series A were to be used to finance acquisition, construction and equipping a new facility to house the College's Laurel Education Center and refurbishment, construction and equipping of new education space for the College's Technology Training Center. The proceeds from the Series B were used to refund all of the 2002 Series Revenue Bonds. Of the proceeds, $4,253,720 was escrowed for the refunding of the outstanding bonds with the remaining proceeds applied to the capital projects explained for the Series A issuance. Restricted cash from this bond issue was used in the projects described above during the year ended June 30, 2015. The annual interest rates on the bonds range from 1.00% to 3.125%. The Series 2012 A Bonds mature in October 2031.

In February 2004, WCCC issued College Revenue Refunding Bonds of 2004 for $5,110,000. The proceeds were used to partially refund $3,395,000 of the 1995 bond issue and $1,515,000 of the 2002 bond issue. The annual interest rates on the 2004 bonds range from 2.00% to 4.00%. The Series 2004 Bonds mature in October 2019. The Authority has pledged to the Trustee, in the Indenture, a security interest in all loan payments, and other sums payable by the College under the Loan Agreement and the Note, for the benefit and security of the registered owners of the Bonds issued under such indenture.

In March 2008, WCCC issued College Revenue Bonds 2008 Series A of $3,770,000 with annual interest rates ranging between 2.50% and 3.50% to advance refund of the 1998 Series E College Revenue Bonds. The 1998 Series E Bonds were to mature October 15, 2018. The Series 2008 A Bonds mature in October 2018. Of the net proceeds, $3,505,900 was deposited in an irrevocable trust with an escrow agent to provide debt service payments.

Also in March 2008, WCCC issued College Revenue Bonds 2008 Series B for $7,135,000. The proceeds from this issue were to be used to finance the gymnasium HVAC system at the College's main campus and construct an off-campus facility in New Kensington, Pennsylvania. The annual interest rates on the bonds range from 2.50% to 4.20%. The Series 2008 B Bonds mature in October 2027.

NOTE 11 - LONG-TERM DEBT (Continued)

The Series 2004 Revenue Bonds partially refunded $3,395,000 of the 1995 bond issue and $1,515,000 of the 2002 bond issue. There were bond discount and expenses related to the 1995 and 2002 series bonds that were unamortized as of the refunding amounted. Therefore, there was a $122,623 accounting (or book) loss on the bond transactions. In accordance with generally accepted accounting principles, this amount will be amortized over 18 years, which represents the original remaining life of the Series 1995 bonds. The method of amortization will be the straight-line method. During the period ended June 30, 2015, interest expense was increased by the amortized amount of $7,911, leaving an unamortized loss of this refunding at $33,623 at June 30, 2015.

The Series A 2008 Revenue Bonds refunded the Series E 1998 Revenue Bonds at issuance. The College used $3,505,900 of the new bond proceeds to advance a refund $3,385,000 in outstanding debt, excluding interest. The difference between these two amounts is $120,900. Also, bond discount and expenses related to the 1998 series bonds that were unamortized as of the refunding amounted to $63,965. Therefore, $184,865 is the total accounting (or book) loss on the bond transactions. In accordance with generally accepted accounting principles, this amount will be amortized over 18 years, which represents the original remaining life of the Series 2002 bonds. The method of amortization will be the straight-line method. During the period ended June 30, 2015, interest expense was increased by the amortized amount of $17,200, leaving an unamortized loss of this refunding at $55,900 at June 30, 2015.

The Series B 2012 Revenue Bonds refunded the Series 2002 Revenue Bonds at issuance The College used $4,253,720 of the new bond proceeds to advance a refund $4,150,000 in outstanding debt, excluding interest. The difference between these two amounts is $103,720. Also, bond discount and expenses related to the Series 2002 bonds that were unamortized as of the refunding amounted to $95,401. Therefore, $199,121 is the total accounting (or book) loss on the bond transactions. In accordance with generally accepted accounting principles, this amount will be amortized over 10 years, which represents the life of the Series B 2012 bonds. The method of amortization will be the straight-line method. During the period ended June 30, 2015, interest expense was increased by the amortized amount of $18,521, leaving an unamortized loss of this refunding at $134,275 at June 30, 2015. In total, interest expense was increased by $43,632 for refunding losses. The annual interest rates on the bonds range from 2.50% to 4.20%. These bonds mature in October 2022.

Interest expense, net of premium or discount amortization of $7,997, for long-term debt for the year ended June 30, 2015 was $810,406.

Principal and interest payments required for the bond retirement for the years subsequent to June 30, 2015 are as follows:

		Principal	Interest	Total
1998 Q Series	2016	$ 1,735,000	$ 45,544	$ 1,780,544
1998 Q Series Total		1,735,000	45,544	1,780,544

NOTE 11 - LONG-TERM DEBT (Continued)

		Principal	Interest	Total
2004 Series	2016	$ 5,000	$ 21,093	$ 26,093
2004 Series Total	2017	5,000	20,905	25,905
	2018	5,000	20,706	25,706
	2019	5,000	20,400	25,400
	2020	510,000	10,302	520,302
		530,000	93,406	623,406
2008 Series A	2016	355,000	43,891	398,891
	2017	365,000	32,413	397,413
	2018	375,000	20,153	395,153
	2019	395,000	6,912	401,912
2008 Series A Total		1,490,000	103,369	1,593,369
2008 Series B	2016	315,000	203,978	518,978
	2017	325,000	191,178	516,178
	2018	340,000	178,941	518,941
	2019	350,000	166,204	516,204
	2020	365,000	151,904	516,904
	2021-2025	2,060,000	522,534	2,582,534
	2026-2028	1,455,000	93,347	1,548,347
2008 Series B Total		5,210,000	1,508,086	6,718,086
2012 Series A	2016	710,000	434,571	1,144,571
	2017	725,000	416,672	1,141,672
	2018	745,000	401,040	1,146,040
	2019	755,000	385,486	1,140,486
	2020	775,000	370,079	1,145,079
	2021-2025	4,165,000	1,544,838	5,709,838
	2026-2030	4,850,000	851,217	5,701,217
	2031-2032	2,210,000	83,625	2,293,625
2012 Series A Total		14,935,000	4,487,528	19,422,528

NOTE 11 - LONG-TERM DEBT (Continued)

		Principal	Interest	Total
2012 Series B	2016	$ 510,000	$ 75,754	$ 585,754
	2017	515,000	68,704	583,704
	2018	520,000	60,421	580,421
	2019	530,000	50,966	580,966
	2020	45,000	45,453	90,453
	2021-2023	1,750,000	70,568	1,820,568
2012 Series B Total		3,870,000	371,866	4,241,866
Total	2016	3,630,000	824,831	4,454,831
	2017	1,935,000	729,872	2,664,872
	2018	1,985,000	681,261	2,666,261
	2019	2,035,000	629,968	2,664,968
	2020	1,695,000	577,738	2,272,738
	2021-2025	7,975,000	2,137,940	10,112,940
	2026-2030	6,305,000	944,564	7,249,564
	2031-2032	2,210,000	83,625	2,293,625
Total		27,770,000	6,609,799	34,379,799
Net premium		(325,153)		
Current portion		(3,622,003)		
Long-term debt net of current		$ 23,822,844		

NOTE 12 - OPERATING LEASES

The College leases an off-campus facility and office equipment under long-term, noncancelable operating lease agreements. The leases expire at various dates through 2032. In the normal course of business, it is expected that these leases will be renewed or replaced by leases on other properties. Lease expense totaled $569,466 during fiscal year 2015.

NOTE 12 - OPERATING LEASES (Continued)

The following is a schedule by year of future minimum rental payments required under the operating lease agreements for each fiscal year:

Fiscal Year Ending June 30	Amount
2016	$ 543,264
2017	399,516
2018	280,516
2019	245,932
2020	245,932
Thereafter	3,053,662
	$ 4,768,822

NOTE 13 - RETIREMENT PLANS

WCCC has three (3) contributory pension plans covering substantially all full-time employees. The employees have the option to choose under which plan they will be covered. Total retirement plan expense was $2,168,429 for the year ended June 30, 2015.

The three (3) retirement plans have the following contribution requirements as of June 30, 2015:

1. Public School Employees' Retirement System (PSERS)

   a. See further information in the following Note 14.

2. School Employees' Retirement System (SERS)

   a. See further information in the following Note 14.

3. Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) - a defined contribution plan.

   a. WCCC contributes 10.0% of gross wages for all participants as of June 30, 2015.

   b. Employees contribute 5% of gross wages.

   c. Payroll for employees covered by TIAA-CREF for the year ended June 30, 2015 was $14,330,845. Total contributions by the WCCC amounted to $1,443,956.

   d. Employees are vested immediately in all of their contributions and the College's contributions.

NOTE 14 - PSERS AND SERS PENSION PLAN

SERS Plan Description

SERS is the administrator of a cost-sharing multiple-employer defined benefit pension plan established by the Commonwealth to provide pension benefits for employees of state government and certain independent agencies. SERS is a component unit of the Commonwealth and is included in the Commonwealth's financial report as a pension trust fund.

Membership in SERS is mandatory for most state employees. Members and employees of the Pennsylvania General Assembly (General Assembly), certain elected or appointed officials in the executive branch, department heads and certain employees in the field of education are not required, but are given the option, to participate.

Section 5507 of the State Employees' Retirement Code (SERC) (71 Pa. C.S. §5507) requires the Commonwealth and other employers whose employees are SERS members to make contributions to the fund on behalf of all active members and annuitants necessary to fund the liabilities and provide the annuity reserves required to pay benefits. SERS funding policy, as set by the SERS Board, provides for periodic active member contributions at statutory rates. The SERS funding policy also provides for periodic employer contributions at actuarially determined rates based on SERS funding valuation, expressed as a percentage of annual retirement covered payroll, such that they, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay benefits when due. However, Act 2010-120 imposes rate increase collars (limits on annual rate increases) on employer contributions. The collar for Commonwealth's fiscal year 2014 was 4.5% and will remain at that rate until no longer needed.

PSERS Plan Description

Public School Employees' Retirement System (PSERS) is a governmental cost-sharing multiemployer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in PSERS include full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. Public School Employees' Retirement Board (PSERS Board) is established by state law as an independent administrative board of the Commonwealth. The PSERS Board exercises control and management of PSERS, including the investment of its assets. Changes in benefit and contribution provisions for the retirement plan must be made by legislation.

SERS Benefits Provided

SERS provides retirement, disability and death benefits. Article II of the Commonwealth's constitution assigns the authority to establish and amend the benefit provision of the plan to the Pennsylvania General Assembly (Assembly). Member retirement benefits are determined by taking years of credited service, multiplied by final average salary, multiplied by 2.5% or 2.0%, depending on the membership class, multiplied by years of service multiplier. According to the SERC, all obligations of SERS will be assumed by the Commonwealth should SERS terminate.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Members are eligible for monthly retirement benefits upon the membership class information noted below. Membership Class A-3 (Class A-3) includes all eligible employees hired after December 31, 2010, except members of the judiciary. Certain groups have effective dates after December 31, 2010 that are tied to the expiration of collective bargaining agreements. Membership Class A-4 (Class A-4) is the same as Class A-3 except that this class is for members who elect to pay a higher member contribution amount and receive a higher benefit. Membership Class AA includes all employees hired after June 30, 2001 but prior to January 1, 2011, except State police officers, members of the judiciary and legislators, and employees hired before July 1, 2001, who elected Class AA by December 31, 2001. To qualify for normal retirement, Class A-3 and Class A-4 members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits for Class AA and Class A-4 are equal to 2.5% of the high three-year final average salary (FAS) of the member multiplied by the number of years and fractions of credited service. To qualify for normal retirement, Class AA and Class A members must work until age 60 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits for Class A and Class A-3 are equal to 2% of the high three year FAS of the member multiplied by the years and fractions of credited service. Members who have 41 or more years of combined Class A-3, A-4, A and AA service are entitled to a supplemental benefit ranging from 2% of the applicable single life annuity for members with 41 years of service to 10% of the applicable single life annuity for members with 45 or more years of service. The benefit for a member who works past age 70 is at least equal to a benefit that is the actuarial equivalent of the prior year's benefit. All Class A-3 and A-4 members have a vested entitlement after 10 years of credited service. All other classes are vested after five years of credited service.

The disability benefit is equal to the benefit calculated as of normal retirement age, based on years of credited service at disability, if the result is greater than or equal to 33 1/3% of FAS at time of disability. If the benefit so calculated is less than 33 1/3% of FAS, the disability benefit is equal to the smaller of:

a. The benefit calculated as of normal retirement age based on service projected to retirement date; or

b. 33 1/3% of FAS at time of disability.

For service-connected disabilities, the disability benefit payable will be increased, as needed, so that the sum of the plan benefit and the benefits paid or payable under the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Social Security Act equals 70% of FAS.

A member is eligible for death benefits prior to retirement if the member is under the age of 60 and has five years of credited service for those in Class A and AA and under the age of 65 and has 10 years of credited service for those in Class A-3 and A-4 or has reached the age of 60 for members in Class A and AA (or age 65 for members in Class A-3 and A-4) with three years of credited state service. A member who elects the maximum single life annuity is entitled to a refund of the unpaid balance of the accumulated member contributions and interest at the time of retirement. A member may elect one of several optional reduced pensions in lieu of the maximum single life annuity to provide additional death benefit protection. The optional forms of benefit are actuarially equivalent to the maximum single life annuity benefit using 4.0% interest per annum, compounded annually, and several actuarial equivalence factors.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

PSERS Benefits Provided

PSERS provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (ACT 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon the membership class, of the member’s final average salary (as defined by Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member’s right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon the membership class of the member’s final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

SERS Member Contributions

Regular member contributions for Class A-3 and Class AA are equal to 6.25% of total compensation, for Class A-4 contributions are equal to 9.30% of total compensation and Class A contributions are equal to 5.00% of total compensation.

Any member who elects the Social Security Integration Credit pays 5.00% of any salary in excess of the amount of salary covered by social Security during the year for which contributions are being made. A member electing to end additional contributions is ineligible to make future contributions or accrue future benefits. Class A and AA members may elect to waive future contributions on an annual basis if their maximum single life annuity exceeds 110% of their highest calendar year compensation.

PSERS Member Contributions

Active members who joined the System prior to July 22, 1983 contribute at 5.25% (Membership Class T-C) or at 6.5% (Membership Class T-D) of the member’s qualifying compensation.

Members who joined the System on or after July 22, 1983 and who were active or inactive as of July 1, 2001 contribute at 6.25% (Membership Class T-C) or at 7.5% (Membership Class T-D) of the member’s qualifying compensation.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Members who joined the System after June 30, 2001 and before July 1, 2011 contribute at 7.5% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011 automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011 who elect Class T-F membership contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

SERS Employer Contributions

The employers contractually required contribution rates for SERS for fiscal year ended December 31, 2014 were as follows:

Class/Description	Category Description	Employer Contribution Rate
A3/A4 Effective 1/1/2011	All others with age 65 retirement	17.18%
A	All others with a retirement age of 60	19.89%
AA	All others with a retirement age of 60	24.86%

The percentages above were actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. The College's contributions to SERS for the years ended June 30, 2015, 2014 and 2013 were $291,943, $248,789 and $172,248, respectively, equal to the required contractual contributions.

PSERS Employer Contributions

The employer's contractually required contribution rate for PSERS fiscal year ended June 30, 2015 was 20.5% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. In accordance with Section 8327 of the PSERS Retirement Code, the Commonwealth is required to contribute 50% of the above-stated contribution rate directly to PSERS on behalf of the employer. The College's contributions to PSERS for the years ended June 30, 2015, 2014 and 2013 were $199,335, $168,551 and $117,939, respectively, equal to the required contractual contributions.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Combined Net Pension Liability and Proportionate Share

At June 30, 2015, the College reported a liability for its proportionate share of the net pension liability of SERS and PSERS. The amount recognized by the College as its proportionate share was as follows:

	Measurement	Net Pension Liability		Proportionate Share	
Plan	Date	2015	2014	2015	2014
SERS	December 31	$ 6,562,244	$ 8,746,056	.04416816%	.06401090%
PSERS	June 30	$ 3,088,000	$ 3,029,000	.00780%	.00740%

SERS Proportionate Share

The net pension liability relative to SERS was measured as of December 31, 2014 and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of December 31, 2013 to December 31, 2014. The employer's portion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At December 31, 2014, the employer's proportion share of the net pension liability was 0.04416816%, which was a decrease of 0.01984274% from the proportion measured as of December 31, 2013.

PSERS Proportionate Share

At June 30, 2015, the College reported a liability for its proportionate share of the net pension liability that reflected a reduction for Commonwealth pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related Commonwealth support, and the total portion of the net pension liability that was associated with the College are in the table above.

The net pension liability relative to PSERS was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2013 to June 30, 2014. The College's portion of the net pension liability was calculated utilizing the College's one-year reported covered payroll as it relates to the total one-year reported covered payroll. As of the measurement date of June 30, 2014, the College's proportionate share of the net pension liability was 0.00780%, which was a increase of 0.0004% from the proportion measured as of June 30, 2013. The College's proportionate share of the net pension liability at June 30, 2015 was $3,088,000 and was recognized by the College in its June 30, 2015 statement of net position.

The Commonwealth is required to contribute 50% of the College's contribution directly to PSERS on behalf of the College. The total of the collective net pension liability relative to PSERS that is associated with the College as of the respective measurement date of June 30, 2014 and 2013 is as follows:

	2014	2013
College	$ 3,088,000	$ 3,029,000
Pennsylvania	3,088,000	3,029,000
	$ 6,176,000	$ 6,058,000

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Combined Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2015, the College recognized pension expense of $324,000. At June 30, 2015, employer contributions payable was $63,755 for SERS and $43,619 for PSERS. These amounts were for the legally required contributions of the plans.

At June 30, 2015, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 35,624	-
Net differences between projected and actual investment earnings	189,605	$ 221,000
Changes in proportions	132,000	2,227,049
Difference between employer contributions and proportionate share of total contributions	-	156,737
Contributions subsequent to the measurement date	338,533	-
Totals	$ 695,762	$ 2,604,786

SERS Deferred Outflows of Resources and Deferred Inflows of Resources

The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expenses over a 5.6-year closed period, which reflects the weighted average remaining service life of all SERS members, beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on SERS investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

PSERS Deferred Outflows of Resources and Deferred Inflows of Resources

The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expenses over 5.15 years, which is the average expected remaining service lives of active and inactive members. The annual difference between the projected and actual earnings on PSERS investments is amortized over a five-year period.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Combined Future Period Deferred Outflows of Resources and Deferred Inflows of Resources

The amounts of deferred outflows of resources and deferred inflows of resources related to pensions that will be recognized in pension expense in future periods are as follows:

	SERS		PSERS	
Fiscal Year	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows
2016	$ 518,214	$ 55,145	$ 23,000	-
2017	518,214	55,145	23,000	-
2018	518,214	55,145	23,000	-
2019	518,214	55,145	23,000	-
2020	310,930	4,647	-	$ 5,000

In addition, the contributions made subsequent to the measurement date will be included as a reduction of the net pension liability in the next year.

SERS Actuarial Assumptions

The total pension liability as of December 31, 2014 was determined by rolling forward the SERS's total pension liability as of the December 31, 2013 actuarial valuation to the December 31, 2014 valuation using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - entry age
- Investment return - 7.50% net of expenses, including inflation of 2.75%
- Salary increases - Average of 6.10%, with range of 4.30% to 11.05%, including inflation
- Mortality rates were based on the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back three years for both males and females. For disabled annuitants the RP-2000 Combined Disabled Tables (male and female) with age set back seven years for males and three years for females.
- Amortization method - Used straight-line amortization of investments over a five-year period, and amortized assumption changes and noninvestment gains/losses over the average expected remaining service lives of all employees that are provided benefits.
- Asset valuation method - Fair market value.
- Cost-of-Living Adjustments (COLA) - Provided ad hoc at the discretion of the General Assembly, none were provided during 2013 and 2014.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

The actuarial assumptions used in the December 31, 2014 and 2013 valuation were based on the experience study that was performed for the five-year period ended December 31, 2010. The recommended assumption changes based on this experience study were adopted by the SERS Board at its January 2011 Board meeting. The SERS Board approved the recommendations of the actuary, and the new assumptions were first used in the December 31, 2010 actuarial valuation.

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. 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 target allocation and best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alternate investments	15%	8.50%
Global public equity	40%	5.40%
Real assets	17%	4.95%
Diversifying assets	10%	5.00%
Fixed income	15%	1.50%
Liquidity reserve	3%	0.00%
	100%	

PSERS Actuarial Assumptions

The total pension liability as of June 30, 2014 was determined by rolling forward the PSERS's total pension liability as of the June 30, 2013 actuarial valuation to June 30, 2014 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay
- Investment return - 7.50% includes inflation at 3.00%
- Salary increases - Effective average of 5.5%, which reflects an allowance for inflation of 3.00%, real wage growth of 1%, and merit or seniority increases of 1.5%
- Mortality rates were based on the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back three years for both males and females. For disabled annuitants the RP-2000 Combined Disabled Tables (male and female) with age set back seven years for males and three years for females.

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

- Amortization method - Level dollar, open
- Asset valuation method - 10-year smoothed market
- COLA - provided from the annuity reserve account, none were provided during 2013 and 2014

The actuarial assumptions used in the June 30, 2013 valuation were based on the experience study that was performed for the five-year period ended June 30, 2010. The recommended assumption changes based on this experience study were adopted by the PSERS Board at its March 11, 2011 Board meeting, and were effective beginning with the June 30, 2011 actuarial valuation.

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. 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 pensions plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Plan assets are managed with a long-term objective of achieving and maintain a fully funded status for the benefits provided through the pension. Below is the PSERS Board's adopted asset allocation policy and best estimate of geometric real rates of return for each major asset class as of June 30, 2014.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public markets global equity	19%	5.0%
Private markets (equity)	21%	6.5%
Private real estate	13%	4.7%
Global fixed income	8%	2.0%
U.S. long treasuries	3%	1.4%
TIPS	12%	1.2%
High yield bonds	6%	1.7%
Cash	3%	0.9%
Absolute return	10%	4.8%
Risk parity	5%	3.9%
MLPs/Infrastructure	3%	5.3%
Commodities	6%	3.3%
Financing (LIBOR)	(9%)	1.1%
	100%	

NOTE 14 - PSERS AND SERS PENSION PLAN (Continued)

Combined Discount Rate

The discount rate used to measure the total pension liability for SERS and PSERS was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable for each member and that employer and non-employer contributions will be made based on rates determined by the actuary. Based on those assumptions, fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Combined Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.5%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease - 6.50%	Current Discount Rate 7.50%	1% Increase - 8.50%
2015 SERS College's proportionate share of the net pension liability	$ 8,399,514	$ 6,562,244	$ 4,982,489
2015 PSERS College's proportionate share of the net pension liability	3,851,000	3,088,000	2,435,000

SERS Pension Plan Fiduciary Net Position

Detailed information about SERS's fiduciary net positon, plan's basis of accounting and information about the substance and magnitude of significant changes that have occurred is available in SERS Comprehensive Annual Financial Report which can be found on the System's website at www.sers.pa.gov

PSERS Pension Plan Fiduciary Net Position

Detailed information about PSERS's fiduciary net positon, plan's basis of accounting and information about the substance and magnitude of significant changes that have occurred is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.state.pa.us

NOTE 15 - TUITION AND FEES

Net tuition and fee revenue for the year ended June 30, 2015 consisted of the following:

Gross tuition and fee revenue	$	19,305,889
Less - Waivers -		
Employees		(141,856)
Senior citizens		(39,758)
Meritorious and presidential		(369,457)
Firemen		(77,227)
GED and Dual Enrollment		(62,489)
		18,615,102
Capital fees		148,788
Facilities fees		590,145
Student services fees		355,011
		19,709,046
Grants received		(3,499,215)
	$	16,209,831

Tuition and Fees are applied to students' accounts at the approved rates. Students who qualify for waivers then have their Tuition and Fees reduced according to the approved waiver category they fall under.

NOTE 16 - ALLOCATION FOR UNEMPLOYMENT COMPENSATION

WCCC maintains a direct funding policy for unemployment compensation purposes. Under this method, actual unemployment claims are billed directly to WCCC by the state unemployment fund. In prior years, a designation was established in its current funds to meet its current and projected needs. This designation was developed by appropriating a portion of its unrestricted fund balance. The designation for the year ended June 30, 2015 was $1,500,000.

NOTE 17 - RISK MANAGEMENT AND CONTINGENT LIABILITIES

During the year, employees of the College were covered by the College's medical self-insurance plan. Claims were paid by a third-party administrator acting on behalf of the College. The administrative contract between the College and the third-party administrator is renewable annually, and administrative fees and stop-loss premiums are included in the contractual provisions. The College was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage carried through Highmark Life and Casualty, a commercial insurer licensed to do business in Pennsylvania in accordance with the Pennsylvania Insurance Code. Stop-loss coverage was in effect for individual claims exceeding $175,000. As of June 30, 2015, the College has accrued approximately $284,000 related to their self-insurance plan which is included in Accrued Liabilities.

NOTE 17 - RISK MANAGEMENT AND CONTINGENT LIABILITIES (Continued)

The College receives significant financial assistance from Federal and Commonwealth agencies in the form of grants. Expenses of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenses resulting from such audits become a liability of the College. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the College, except as disclosed in Note 3.

NOTE 18 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were $1,503,593 as of June 30, 2015, of which $1,262,037, $222,952 and $18,604 are available for scholarships, WCCC programs and capital expenditures, respectively. Temporarily restricted net assets at June 30, 2015 of $190,909 and $3,265,803 were released for scholarships and capital expenditures, respectively.

NOTE 19 - PERMANENTLY RESTRICTED NET ASSETS

The Foundation's permanently restricted net assets at June 30, 2015 were as follows:

Eberly Endowment	$ 353,343
Oliver Painter Endowment	39,191
Betty Cooper Endowment	34,789
Cecil Yates Endowment	27,323
Visual Arts Endowment	27,173
J.S. Millison Culinary Endowment	21,608
Iva Jones King Endowment	16,128
Dr. Krenzenski Endowment	13,915
Graphic Design	13,915
J. Shaffer Endowment	13,913
	$ 561,298

The income generated from these endowments is temporarily restricted.

NOTE 20 - NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATIONS

Expenses by natural classification for the years ended June 30, 2015 are as follows:

	Salaries and Wages	Benefits	Facilities and Utilities	Supplies & Equipment Maintenance	Travel, Services & Other Exp.	Depreciation and Amortization	Student Grants/ Scholarships	Bookstore Textbooks	Total
Instruction	$ 11,103,157	$ 4,436,399	$ 63,760	$ 244,654	$ 195,793	-	-	-	$ 16,043,763
Academic support	1,708,075	682,482	460	63,907	222,044	-	-	-	2,676,968
Student services	2,484,312	992,637	-	22,787	615,905	-	-	-	4,115,641
Institutional support	2,944,971	1,176,699	-	606,964	1,600,621	-	-	-	6,329,255
Operations and facilities	1,155,980	463,092	3,303,494	234,864	35,206	-	-	-	5,192,636
Grants - Operations	2,406,354	571,485	19,208	115,782	1,727,987	-	-	-	4,840,816
Grants - Student Aid	-	-	-	-	-	-	$ 6,891,523	-	6,891,523
Depreciation	-	-	-	-	-	$ 3,107,883	-	-	3,107,883
Amortization	-	-	-	-	-	705,577	-	-	705,577
Auxiliary enterprise	517,734	116,994	26,480	187,276	669,022	-	-	$ 3,033,648	4,551,154
	$ 22,320,583	$ 8,439,788	$ 3,413,402	$ 1,476,234	$ 5,066,578	$ 3,813,460	$ 6,891,523	$ 3,033,648	$ 54,455,216

NOTE 21 - SUBSEQUENT EVENTS

WCCC evaluated its June 30, 2015 financial statements for subsequent events through March 31, 2016 the date the financial statements were available to be issued. WCCC is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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WESTMORELAND COUNTY COMMUNITY COLLEGE

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Pennsylvania State Employees' Retirement System (SERS) Pension Plan

Schedule of the College's Proportionate Share of the SERS Net Pension Liability

		2015		2014
College's proportion of the net pension liability (asset)		.04416816%		.06401090%
College's proportionate share of the net pension liability (asset)	$	6,562,244	$	$8,746,056
College's covered-employee payroll		2,610,927		3,583,330
College's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		251.34%		244.08%
Plan fiduciary net position as a percentage of the total pension liability		64.8%		66.7%

Schedule of College SERS Contributions

		2015		2014
Contractually required contribution	$	291,934	$	248,789
Contributions in relation to the contractually required contribution		291,934		248,789
Contribution deficiency (excess)		-		-
College's covered-employee payroll		2,610,927		3,583,330
Contributions as a percentage of covered-employee payroll		11.18%		6.94%

Public School Employees' Retirement System (PSERS)

Schedule of the College's Proportionate Share of the PSERS Net Pension Liability

		2015		2014
College's proportion of the net pension liability (asset)		.0078%		.0074%
College's proportionate share of the net pension liability (asset)	$	3,088,000	$	3,029,000
Commonwealth of Pennsylvania's proportionate share of the net pension liability (asset)		3,088,000		3,029,000
Proportionate share of the net pension liability (asset)	$	6,176,000	$	6,058,000
College's covered-employee payroll	$	995,624	$	955,070
College's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		310.16%		317.15%
Plan fiduciary net position as a percentage of the total pension liability		57.24%		54.50%

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Public School Employees' Retirement System (PSERS) (Continued)

Schedule of College's PSERS Contributions

	2015	2014
Contractually required contribution	$ 199,335	$ 168,551
Contributions in relation to the contractually required contribution	199,335	168,551
Contribution deficiency (excess)	-	-
College's covered-employee payroll	995,624	955,070
Contributions as a percentage of covered-employee payroll	20.02%	17.65%

Note: Information prior to 2014 is not readily available.

Notes to the Required Supplementary Information for the Year Ended June 30, 2015

Changes of benefit terms

There were no changes in benefit terms affecting SERS and PSERS plans for the plan years ended December 31, 2014 and June 30, 2014, respectively.

Changes of assumptions

There were no changes in assumptions or plan amendments affecting SERS and PSERS plans for the plan years ended December 31, 2014 and June 30, 2014, respectively.

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

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FORM OF OPINION OF BOND COUNSEL

The form of the approving legal opinion of Dinsmore & Shohl LLP, Bond Counsel, is set forth below. The actual opinion will be delivered on the date of delivery of the Bonds and may vary from the form set forth to reflect circumstances both factual and legal at the time of such delivery. Bond Counsel has no duty, and has assumed no obligation, to revise, update or supplement its opinion to address or reflect a change or changes in such circumstances subsequent to the date of delivery of the Bonds, whether or not it has notice or obtains knowledge of the same, and whether or not this Official Statement shall be recirculated. The approving legal opinion of Bond Counsel represents its considered professional judgment, following a comparison of relevant factual certifications to applicable law. Such opinion is not a guarantee of a particular result, nor is such opinion binding on any administrative or judicial tribunal.

We have served as bond counsel in connection with the issuance and sale by the State Public School Building Authority (the "Authority") of its $46,705,000,000, aggregate principal amount, College Revenue Bonds (Westmoreland County Community College Project), Series A and B of 2016 (the "Bonds"), pursuant to the Seventh Supplemental Trust Indenture dated as of June 14, 2016 (the "Supplemental Indenture"), being the seventh supplement to that Trust Indenture, dated as of October 15, 1995 (collectively, with all other supplemental indentures, the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"). The Authority is authorized under the State Public School Building Authority Act of 1947, P.L. 1217, as amended (the "Authority Act"), of the Commonwealth of Pennsylvania to acquire, finance, refinance, construct, improve, maintain and operate, and to furnish and equip, among other things, community college buildings, and to issue bonds for all such purposes, including the refunding of the same. The Bonds are being issued on behalf of, and for the benefit of, Westmoreland County Community College (the "College"), a community college organized pursuant to Article XIX-A of the Public School Code of 1949, Act of July 1, 1985, P.L. 103, No. 31, Section 1 et seq., as amended (the "Community College Act").

In such capacity, we have examined: (i) an executed copy of the Indenture; (ii) an executed copy of the Seventh Supplemental Loan Agreement dated as of June 14, 2016 (the "Supplemental Loan Agreement"), being the seventh supplement to that Loan Agreement dated as of October 15, 1995 (collectively with all other supplemental loan agreements, the "Loan Agreement") between the Authority and the College, pursuant to which the College unconditionally agrees to pay the principal of, premium if any, and interest on, the Bonds when and as the same shall become due, subject to the terms and conditions of the Loan Agreement and the Indenture; (iii) the form of the Bonds; (iv) the Authority Act; (v) the Community College Act; (vi) the formal actions of the Boards of the Authority and the College authorizing the incurrence of debt evidenced by the Bonds (the "Resolutions"); (vii) the Internal Revenue Code of 1986, as amended (the "Code"); (viii) the Tax Regulatory Agreement by, between and among the Authority, the College and the Trustee, along with related tax certificates executed by various parties (collectively, the "Tax Agreements"); and (ix) such other constitutional and statutory provisions and such other resolutions, certificates, instruments and documents as we have deemed necessary or appropriate in order to enable us to render an informed opinion as to matters set forth herein.

In rendering this opinion we have assumed the genuineness of all signatures on all documents and certificates that we examined, the legal capacity and authority of all persons executing such documents, the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us as copies and the authenticity of the originals of said copies. As to questions of fact material to our opinion, we have relied upon the representations of the Authority and the College contained in the Indenture and the Loan Agreement; unless separately noted, we have not independently verified factual certifications contained in any documentation used in connection with the sale of the Bonds or made to us by the Authority or the College or the officers and agents of either during the course of our engagement.

We have not been engaged nor undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and we express no opinion herein relating thereto.

Based upon the foregoing, it is our opinion, under existing law and as of the date hereof, that:

1. The Authority is a body corporate and politic organized and existing under the Authority Act and has the power to enter into the transactions contemplated by the Indenture and the Loan Agreement and to carry out its obligations thereunder.

2. The Supplemental Indenture and the Supplemental Loan Agreement have been duly authorized, executed and delivered by the Authority and constitute the valid and binding obligations of the Authority enforceable against it in accordance with their respective terms.

3. The Bonds have been duly and validly authorized, executed, issued and delivered by the Authority and constitute the valid and binding limited obligations of the Authority enforceable against it in accordance with their terms, payable from the sources provided therefor in the Indenture.

4. All right, title and interest of the Authority in and to the installment payments due under the Loan Agreement have been duly assigned to the Trustee (except for the fees and expenses payable to the Authority and the Authority's right to indemnification).

5. Section 1913(h) of the Community College Act requires the Secretary of the Pennsylvania Department of Education, upon receipt of written notice from the Authority of the College's failure to pay or provide for the payment of any indebtedness due pursuant to the Loan Agreement, to notify the Board of Trustees of the College of its obligation to pay and to withhold, out of any Commonwealth appropriation that may be due to the College, an amount equal to the amount of the indebtedness due thereunder, and to pay over the amount or amounts so withheld (the "Withheld Amounts") to the Authority or the Trustee. Pursuant to the Indenture, the Authority has validly assigned all right, title and interest in and to the Withheld Amounts to the Trustee and has agreed, pursuant to the Loan Agreement, to direct the Secretary to pay the Withheld Amounts directly to the Trustee.

6. Assuming continuing compliance by the Authority and the College with certain covenants related to the requirements of Section 103 of the Tax Code as contained in the Tax Agreements, under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest on the Bonds (including, in the case of Bonds sold at an original issue discount, the difference between the initial offering price thereof and par) is excludible from gross income for Federal income tax purposes. Furthermore, interest on the Bonds will not be treated as an item of tax preference, under Section 57(a)(5) of the Tax Code, in computing the alternative minimum tax for individuals and corporations, provided that such interest may be included in calculations of “adjusted current earnings” of certain corporations for purposes of the alternative minimum tax. We express no other opinion as to the federal tax consequences of purchasing, holding or disposing of the Bonds.

7. The Bonds, and the interest income therefrom, are free from taxation for the purposes of personal income, corporate net income and personal property taxes within the Commonwealth of Pennsylvania.

Special attention is called to the fact that the rights of the owners of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws heretofore or hereafter enacted affecting creditors' rights generally to the extent constitutionally applicable and by the application of general equitable principles and the exercise of judicial discretion in appropriate cases (whether such enforcement is sought in proceedings in equity or at law). Likewise, the enforceability of the provisions of the Community College Act which instruct the disposition of the Withheld Amounts may be subject to, among other things, proper and complete budgeting, appropriation and the availability of such funds for payment by the Commonwealth of Pennsylvania.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX C

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: $ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ____________________________________
Authorized Officer

APPENDIX D

SUMMARY OF OUTSTANDING DEBT SERVICE (BONDS ONLY)

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State Public School Building Authority
(Westmoreland County Community College)

Summary of Outstanding Annual Debt Service (after the issuance of the 2016 Bonds)

Date	Series of 2004 Debt Service	Series A of 2008 Debt Service	Series A of 2012 Debt Service	Series B of 2012 Debt Service	Series A of 2016 Debt Service	Series B of 2016 Debt Service	Semi-Annual Debt Service	Annual Debt Service	EXPECTED BREAKDOWN OF DEBT SERVICE: State Reimbursement **EXPECTED**	Local Sponsor Commitment (1) **EXPECTED**	College Responsibility
10/15/2016	15,500.00	384,171.88	936,960.63	551,283.13	1,902,066.30	454,041.90	4,244,023.83			1,218,891.12	
4/15/2017	10,403.13	13,240.63	204,710.63	32,420.63	680,459.38	61,416.88	1,002,651.25	5,246,675.08	2,623,337.54	306,512.40	1,097,934.02
10/15/2017	15,403.13	388,240.63	949,710.63	552,420.63	2,150,459.38	456,416.88	4,512,651.25			1,205,181.62	
4/15/2018	10,303.13	6,912.50	196,329.38	28,000.63	658,409.38	59,540.63	959,495.63	5,472,146.88	2,736,073.44	289,256.61	1,241,635.21
10/15/2018	15,303.13	401,912.50	951,329.38	558,000.63	2,183,409.38	459,540.63	4,569,495.63			1,222,437.41	
4/15/2019	10,200.00	-	189,156.88	22,965.63	627,909.38	53,540.63	903,772.50	5,473,268.13	2,736,634.06	308,349.11	1,205,847.54
10/15/2019	520,200.00	-	964,156.88	67,965.63	2,212,909.38	468,540.63	4,233,772.50			1,203,344.91	
4/15/2020	-	-	180,922.50	22,487.50	596,209.38	47,315.63	846,935.00	5,080,707.50	2,540,353.75	289,222.80	1,047,786.04
10/15/2020	-	-	970,922.50	592,487.50	2,246,209.38	472,315.63	4,281,935.00			1,222,471.22	
4/15/2021	-	-	171,640.00	15,790.00	563,209.38	40,940.63	791,580.00	5,073,515.00	2,536,757.50	270,964.12	1,043,322.16
10/15/2021	-	-	981,640.00	595,790.00	2,288,209.38	480,940.63	4,346,580.00			1,240,729.90	
4/15/2022	-	-	161,110.00	8,250.00	520,084.38	34,340.63	723,785.00	5,070,365.00	2,535,182.50	250,377.30	1,044,075.30
10/15/2022	-	-	991,110.00	608,250.00	2,335,084.38	484,340.63	4,418,785.00			1,261,316.72	
4/15/2023	-	-	149,697.50	-	474,709.38	27,590.63	651,997.50	5,070,782.50	2,535,391.25	285,890.97	988,183.56
10/15/2023	-	-	1,004,697.50	-	2,379,709.38	497,590.63	3,881,997.50			1,225,803.05	
4/15/2024	-	-	137,406.88	-	427,084.38	20,540.63	585,031.88	4,467,029.38	2,233,514.69	264,989.72	742,721.92
10/15/2024	-	-	1,017,406.88	-	2,432,084.38	495,540.63	3,945,031.88			1,246,704.30	
4/15/2025	-	-	124,206.88	-	376,959.38	15,790.63	516,956.88	4,461,988.75	2,230,994.38	241,761.08	742,529.00
10/15/2025	-	-	1,029,206.88	-	2,451,959.38	500,790.63	3,981,956.88			1,269,932.94	
4/15/2026	-	-	110,066.25	-	356,209.38	10,940.63	477,216.25	4,459,173.13	2,229,586.56	216,879.64	742,773.98
10/15/2026	-	-	1,045,066.25	-	2,476,209.38	505,940.63	4,027,216.25			1,294,814.38	
4/15/2027	-	-	94,405.00	-	333,684.38	5,681.25	433,770.63	4,460,986.88	2,230,493.44	189,540.41	746,138.65
10/15/2027	-	-	1,064,405.00	-	2,498,684.38	510,681.25	4,073,770.63			1,322,153.61	
4/15/2028	-	-	78,157.50	-	309,328.13	-	387,485.63	4,461,256.25	2,230,628.13	197,356.53	711,117.99
10/15/2028	-	-	1,078,157.50	-	2,524,328.13	-	3,602,485.63			1,314,337.49	
4/15/2029	-	-	60,157.50	-	283,025.00	-	343,182.50	3,945,668.13	1,972,834.06	168,559.14	489,937.43
10/15/2029	-	-	1,100,157.50	-	2,553,025.00	-	3,653,182.50			1,343,134.88	
4/15/2030	-	-	41,437.50	-	254,650.00	-	296,087.50	3,949,270.00	1,974,635.00	137,867.73	493,632.39
10/15/2030	-	-	1,126,437.50	-	2,599,650.00	-	3,726,087.50			1,373,826.29	
4/15/2031	-	-	21,093.75	-	207,750.00	-	228,843.75	3,954,931.25	1,977,465.63	145,505.33	458,134.01
10/15/2031	-	-	1,146,093.75	-	2,652,750.00	-	3,798,843.75			1,366,188.69	
4/15/2032	-	-	-	-	158,850.00	-	158,850.00	3,957,693.75	1,978,846.88	121,453.96	491,204.23
10/15/2032	-	-	-	-	2,688,850.00	-	2,688,850.00			1,390,240.06	
4/15/2033	-	-	-	-	120,900.00	-	120,900.00	2,809,750.00	1,404,875.00	93,804.73	-
10/15/2033	-	-	-	-	2,725,900.00	-	2,725,900.00			1,417,889.29	
4/15/2034	-	-	-	-	81,825.00	-	81,825.00	2,807,725.00	1,403,862.50	64,660.85	-
10/15/2034	-	-	-	-	2,766,825.00	-	2,766,825.00			1,447,033.17	
4/15/2035	-	-	-	-	41,550.00	-	41,550.00	2,808,375.00	1,404,187.50	33,190.65	-
10/15/2035	-	-	-	-	2,811,550.00	-	2,811,550.00			1,478,503.37	
4/15/2036	-	-	-	-	-	-	-	2,811,550.00	1,405,775.00	-	-
10/15/2036	-	-	-	-	-	-	-				
4/15/2037	-	-	-	-	-	-	-	-	-	-	-
Total	597,312.50	1,194,478.13	18,277,956.88	3,656,111.88	55,952,678.80	6,164,319.40	85,842,857.58	85,842,857.58	42,921,428.79	29,941,077.50	13,286,973.41

(1) The Local Sponsor is expected to contribution $1,511,694.02 per calendar year, but the College allocates such funds towards debt service based their on a fiscal year beginning on a July 1.
Source: WCCC

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