F O O T H I L L - D E   A N Z A   C O M M U N I T Y   C O L L E G E   D I S T R I C T

Audit and Finance Committee Agenda Item

Meeting Date: March 7, 2013

Title of Item:
Fiscal Self-Assessment

Background and Analysis:

The Sound Fiscal Management Self-Assessment Checklist report is prepared each fiscal year by district Business Office staff as an additional step in the overall process of ensuring fiscal stability and continuous scrutiny of district business practices and operations. Although completion of the report on an annual basis is recommended by the state chancellor's office, it is not a requirement. FHDA chooses to produce the report each year because it is viewed by staff as a valuable tool for our own internal fiscal assessment and provides a comprehensive narrative document that is presented to both the Audit and Finance committee and the Board of Trustees.

Recommendation: Information

Submitted by:	**Kevin McElroy, Hector Quinonez, Bernata Slater, Joni Hayes**
Is backup provided?:	**Yes**

FOOTHILL-DE ANZA
Community College District

SOUND FISCAL MANAGEMENT
Self-Assessment Checklist

January 2013

1. **Deficit Spending:** Is this area acceptable? **Yes**

Is the district spending within their revenue budget in the current year?
The California Community Colleges System Office uses for its analysis the financial reports from our unrestricted general fund that encompasses both the General Purpose Fund (Fund 114) and the Self-Sustaining Fund (Fund 115). The district focuses on the General Purpose Fund because this fund captures most of the district's operating revenue and expenses.

This Sound Fiscal Management Self-Assessment Checklist summarizes activities for fiscal year 2011/12 and also projects balances for the fiscal year ending June 30, 2013.

In fiscal year 2011/12, the state relied on workload reductions and mid-year cuts to balance the state budget. After implementing severe cuts of $10.6 million in fiscal year 2010/11, the district's budget was almost balanced when yet another round of workload reductions of 6.21% was implemented at the beginning of fiscal year 2011/12. This resulted in a deficit of $7.6 million at the time of the Adopted Budget. In December 2011, the state imposed mid-year cuts in the form of Tier 1 and Tier 2 reductions. Tier 1 reductions were implemented due to a student enrollment fee shortfall, resulting in a deficit factor that reduced our fund balance by approximately $750,000. Tier 2 cuts were implemented due to a revenue shortfall in the state general fund, resulting in an additional workload reduction of 1.5%, which increased our operating deficit by approximately $2 million. These devastating cuts were offset by an increase in international student revenue of $1.2 million, a drastic reduction of all non-essential operating expenses, savings from positions held vacant throughout the year, and restricted spending of B budgets. With the reductions to expenses and increased revenue, fiscal year 2011/12 ended with an operating deficit of $6.9 million. The deficit was closed with one-time stability funds that had been set aside to offset the deficit and to allow for strategic planning to reduce the operating budget in 2012/13.

For fiscal year 2012/13, Governor Brown proposed a balanced budget, contingent upon passage of Prop 30 in the November election. The district, in preparation for a mid-year reduction of 7.3%, and in an effort to bring its 2011/12 year ending operating deficit into balance, reduced its operating expenses by $3.4 million as of July 1, 2012. These cuts included reductions to full-time faculty and non-instructional positions, various fund redirects, and B budget reductions. In addition, the district, as well as many other community college districts in the state, prepared for two outcomes of the election: best case, in which the district's deficit would amount to $5.7 million, and worst case, in which a workload reduction of 7.3% would be imposed mid-year and which would result in a district deficit of $11.9 million. The district's adopted budget was based on the worst-case scenario with the assumption that passage of the tax package would prompt adjustments to revenue and operating expenses during the second quarter of 2012/13.

On November 6, 2012, K-12 education and the community colleges were saved from devastating budget cuts by the electorate's approval of Proposition 30. This measure passed by a margin of 53.9% to 46.1%.

Currently, the district still faces an operating deficit of at least $5.7 million, which will be addressed with a combination of cuts to be implemented June 30, 2013, and with use of one-time funds from the stability fund of $6.7 million set-aside for this purpose. There will also be stability funds of $3 million set aside for 2013/14 to offset any expense increases in 2013/14.

In January 2013, Governor Brown released his proposed 2013/14 budget, which includes funding from the newly passed Prop 30. For community colleges, the governor has proposed partial restoration of workload reductions, categorical programs, and COLA, for which the exact percentage distributions are yet to be determined. This proposed funding comes with various policy changes that will have a significant impact on community colleges. We are currently working on incorporating the governor's proposal into our tentative budget; however, because of our enrollment decline, it is anticipated that we will not be able to capitalize on workload reduction restoration funds in fiscal year 2013/14. We expect that the governor's proposal will be adjusted as the budget is debated in the Assembly and Senate, at which time we will revise our projections accordingly.

Has the district controlled deficit spending over multiple years?
Yes, the net change in fund balance for the district's General Purpose Fund was $2,855,401 for fiscal year 2008/09 and $3,433,109 for fiscal year 2009/10, achieved mostly through reduced spending. In 2010/11, the General Purpose fund balance increased to $8,034,190, mostly due to one-time funds received from stability funding as well as additional reductions in spending. A deficit of $6.9 million emerged for the year ending June 30, 2012. This was due to a workload reduction of 7.7%, which resulted in ongoing cuts as well as one-time mid-year cuts implemented as a deficit factor due to the student fee shortfall and property tax shortfall. The district anticipated these reductions and closed the $6.9 million operating deficit with one-time stability funds (see Exhibit 1).

Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?
Fiscal years 2004/05, 2005/06 and 2006/07 ended with positive net changes in fund balance (see Exhibit 1). The years since then also resulted in positive net changes in the fund balance, with the exception of 2007/08, the year in which mid-year cuts were implemented.

In fiscal year 2008/09, expenditure reductions and efforts to increase revenue through increased student enrollment resulted in a positive net change in fund balance of $2,855,401. Fiscal year 2009/10 ended with a positive net change in fund balance of $3,433,109. During 2009/10, the district was involved in preparations for drastic cuts to the operating budget by eliminating $4.1 million in operating expenses from the general fund and $6.5 million from categorical programs as a result of 2008/09 state budget reductions.

As a result of careful planning and work with various committees, the district entered 2010/11 with a balanced budget and some one-time funds set aside for future state cuts (the Stability Fund). Fiscal year 2010/11 ended with a positive net change in the fund balance of $8 million, mostly due to one-time funds received from state-funded stability funding as a result of reduced FTES reported in that year. Fiscal year 2011/12 ended with a negative net change to the fund balance of $6.9 million (see above), which was addressed with the use of one-time funds strategically set aside for this purpose. Balancing of expenses to funded revenue will continue through 2012/13.

Are district revenue estimates based upon past history?
District revenue estimates are based on a combination of: 1) enrollment estimates generated from collaboration between the district business services office and the campuses' enrollment management teams; 2) historical data; 3) the campuses' input on locally generated income; and 4) state assumptions on COLA, growth, the state funding formula (SB361), and lottery estimates, etc.

Does the district automatically build in growth revenue estimates?
The district's growth revenue estimates are based on the colleges' FTES growth estimates.

2. **Fund Balance:** Is this area acceptable? **Yes**

Is the district's fund balance stable or consistently increasing?
Yes, the district's general unrestricted fund balance is very stable, varying between $6.5 million and $15.1 million in excess of 5% contingency for the past three years (see Exhibit 1). This increase in the unrestricted fund balance is intentional and a planned outcome of hard work and dedication by many departments, achieved through a drastic reduction in operating expenses, restricted spending on B budget, and savings from positions held vacant throughout the year. These funds are designated to close operating deficits on a one-time basis, to preserve our staffing levels as long as possible, and to be available to offset any cuts on a one-time basis in 2012/13 and beyond.

Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?
See question and answer above.

3. **Enrollment:** Is this area acceptable? **Yes**

Has the district's enrollment been increasing or stable for multiple years?
In 2009/10, the district was subject to a state-imposed workload reduction of 3.39% and, in 2011/12, to further workload reductions of 7.71%. In addition, due to a variety of adjustments to state requirements for course repeatability, etc., the district's enrollment declined further and in 2011/12 was approximately 300 FTES below the funded base. We are currently estimating a further decline for 2012/13 of approximately 2%, or 712 FTES.

Given the challenges of enrollment management, new regulations, and student fee increases, we are currently putting all our efforts into recouping lost FTES.

Are the district's enrollment projections updated at least semiannually?
Yes, enrollment projections are reviewed and updated at the beginning of every academic quarter.

Are staffing adjustments consistent with the enrollment trends?
The Board approved a "growth model" which funds additional positions (both teaching and support staff) in direct proportion to FTES growth. While the law requires an increase in full-time faculty consistent with FTES increases, the district's model uses that same rationale for growth and reduction of non-teaching positions.

Does the district analyze enrollment and full-time equivalent students (FTES) data?
Yes, every quarterly report includes an analysis of FTES and productivity. In addition to this report to the Board, the Office of Institutional Research generates frequent reports, which are shared with the enrollment management teams and senior staff at both campuses. These reports are generated beginning several weeks before each quarter in order to facilitate trends analysis and to display comparative data. District staff also has access to an FTES database. This database shows enrollment trends down to the individual class and instructor level and can be aggregated by department, division, and college.

Does the district track historical data to establish future trends between P-1 and annual for projection purposes?
Yes, the Chief Instructional Officer at each college is responsible for forecasting winter and spring enrollment at P-1. It is through this analysis that the "multiplier" is adjusted on the Apportionment Attendance Reports (CCFS-320) to ensure consistency with projections.

Has the district avoided stabilization funding?
No. As noted above, the district received stabilization funding in fiscal year 2006/07. Additionally, the district experienced a decline in FTES in fiscal year 2010/11 of 4.4%, or 1,405 fewer FTES, resulting in stability funding of over $6.5 million. In fiscal year 2012/13, we are projecting to again receive stability funding due to a decline in enrollment. Both colleges are developing schedules to maintain enrollment at the budgeted level, and management efforts are focused on maximizing students' access.

4. **Unrestricted General Fund Balance:** Is this area acceptable? **Yes**

Is the district's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level (5% of the total unrestricted general fund expenditures)?
Yes, the district's unrestricted general fund balance has consistently been maintained above the minimum prudent level of 5%. The California Community Colleges System Office requires that we report the unrestricted general fund balance and other required financial information in the Annual Financial and Budget Report (CCFS-311). The unrestricted general fund balance includes the General Purpose Fund (Fund 114) and the Self-Sustaining Fund (Fund115). The unrestricted general fund balance for the past five years is shown below:

Fiscal Year	Actual
2007/08	18.4%
2008/09	19.8%
2009/10	22.4%
2010/11	28.8%
2011/12	24.2%

Is the district's unrestricted fund balance maintained throughout the year?
Yes, the district's unrestricted fund balance was maintained at or above 24.2% of the total unrestricted general fund expenditures in any given month throughout fiscal year 2011/12. It is our strategic plan to retain a portion of the general fund balance as a Stability Fund as outlined in item No. 1, above. In light of the state budget challenges, our efforts are currently focused on curtailing spending and maximizing our ending fund balance as we prepare to implement permanent reductions to balance the budget to reduced state apportionment funding levels.

5. **Cash Flow Borrowing:** Is this area acceptable? **Yes**

Can the district manage its cash flow without inter-fund borrowing?
Yes, during the past five years, the district maintained a positive cash flow in the unrestricted general fund without inter-fund borrowing.

Is the district repaying TRANS and/or borrowed funds within the required statutory period?
The district has not borrowed funds through a TRANS since fiscal year 1996/97 when it issued a TRAN in the amount of $4.4 million. The district did not issue a TRAN in fiscal year 2011/12. We will monitor the State budget, including any new proposals for state apportionment deferrals, to determine if there is a need to issue a TRAN in fiscal year 2012/13.

6. **Bargaining Agreements:** Is this area acceptable? **Yes**

Since 2008/09, no COLA has been allocated from the state. Consequently, no COLA has been provided in bargaining agreements. Due to reduced apportionment funding through workload reductions (3.39% in 2009/10 and 7.71% in 2011/12), the district lost significant funding in its general fund as well as categorical funds. This resulted in a reduction in course offerings, with a corresponding reduction to part-time faculty costs. In fiscal year 2008/09, the state reduced apportionment funding for part-time faculty health insurance and office hours, which has caused the ongoing negotiated expense to continue to encroach on the general fund.

In addition, a restructuring of health benefits was agreed to for two years as a cost containment measure, beginning January 2010 and ending June 2012. A new Joint Labor Management Benefits Committee (JLMBC) was formed in 2010/11 to work on a new plan to contain the district's health care plan costs. In March of fiscal year 2011/12, as a result of work and research by the JLMBC, an alternative health benefits plan administered by CalPERS was identified as the most viable option. This new plan went into effect on July 1, 2012.

Since the new CalPERS plan rates are assessed on a calendar year basis, active employees and retirees were subject to a second enrollment process in October 2012. New rates and enrollment trends may result in adjustments to our current projections. In addition, we will still be accounting for closing claims under the old benefits program administered under United Healthcare. This transition is expected to last approximately eighteen months. Any increase from the 2012/13 budget or variances related to closing out old claims will be covered with one-time funds set aside in the Rate Stabilization Fund.

7. **Unrestricted General Fund Staffing:** Is this area acceptable? **Yes**

Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?
Permanent staffing is managed through position control and is budgeted from ongoing revenue when available. Any increases in staffing are funded using the district-developed growth model, which is based on FTES growth and corresponding ongoing revenue growth.

Is the percentage of district general fund budget allocated to salaries and benefits at or less than the statewide average (i.e., the statewide average for 2003/04 is 85%)?
In fiscal year 2003/04, the percentage of district general funds allocated to salaries and benefits was at 83%; in 2004/05, 80%; in 2005/06, 79%; and in 2006/07, 79%. The 2006/07, 2007/08 and 2008/09 percentages are artificially low (79%, 80% and 80%, respectively) because of an infusion of one-time funds received and distributed in fiscal year 2006/07 that increased the operating budget. (This data comes from the System Office Fiscal Trend analysis, which combines general funds 114 and 115. See Exhibit 3). In fiscal years 2009/10 and 2010/11, the percentage of district general fund budget allocated to salaries and benefits was 83%, and in 2011/12, the amount allocated was 82%. For fiscal year 2012/13, the district is budgeting 76%; however, if budgeted carryover dollars are not spent as projected, the percentage for salaries and benefits will be approximately 82-83%.

8. **Internal Controls:** Is this area acceptable? **Yes**

Does the district have adequate internal controls to ensure the integrity of the general ledger?
Yes, in addition to the annual financial audit report, which includes a report on internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, the district has contracted with an independent certified public accounting firm over the past seven years to perform performance audits on Measure E Overhead, De Anza College Cash Handling Procedures, District Procurement Card, Foothill College Cash Handling Procedures, Measure C Overhead, Police Parking Fees Cash Handling Procedures, De Anza College Facilities Rental Cash Handling Procedures, Foothill College Cashiering Services Petty Cash/Change Fund, and ERP Security. In fiscal year 2012/13, the District continued its contract to review performance audits on the District Procurement Card, Foothill College Kinesiology, Facilities Rentals, and Cash Handling Procedures.

Does the district have adequate internal controls to safeguard the district's assets?
Yes, the district has written cash handling procedures for De Anza College and Foothill College as well as for district petty cash to safeguard cash. In addition to the required annual audit, the district goes above that requirement and contracts for annual performance audits at its various cash collection points. The district also has Board Policy and Administrative Procedures on Capitalization of District Property and on Disposal of District Property.

9. **Management Information Systems:** Is this area acceptable? **Yes**

In February 2008, the Board authorized acquisition of – and conversion to – a major new ERP (Enterprise Resource Planning) system, Ellucian, originally developed by SunGard Higher Education. A multi-year implementation plan was developed and we have now converted all eight modules of the Banner system including the Web Portal, Finance, Human Resources & Payroll, Financial Aid, Student, Advancement, Document Management System, and Degree Audit.

The Finance module went live on July 1, 2009, and the HR/Payroll Module came on-line on January 1, 2010. We successfully converted the Financial Aid and Student modules by the end of 2009/10. All modules of the Ellucian ERP system have been fully implemented and are functioning satisfactorily. Custom reports for all modules have been, and continue to be, developed providing the specialized data needed for our department functions. Management is confident that the continued creation and refinement of custom reports from Ellucian are meeting all critical data reporting requirements. Data inconsistencies previously noted by staff have been addressed. District administration, working closely with ETS and external consulting services, continue to refine data collection and reporting processes to increase the return on investment from the ERP. As the management and staff of various business units throughout the district have the capacity to utilize additional functionality of the ERP, such as document management, ETS is working with those units to deploy these features.

10. **Position Control:** Is this area acceptable? **Yes**

Is position control integrated with payroll?
Yes, there is a very strong position control system in place that requires the assignment of a unique position number and designated funding for each position hired.

Does the district control unauthorized hiring?
Yes, all positions to be refilled, or newly created positions, are assigned a position control number. Each "staffing requisition," which is necessary to start the hiring process, must be approved by Chancellor's Staff and must have a valid position control number.

Does the district have controls over part-time academic staff hiring?
Each year the district budgets the dollar amount to be allocated for part-time faculty (1320) based on total FTES, less the number of full-time faculty, and driven by the agreed upon productivity numbers. The colleges are responsible for developing a schedule of classes synching with the agreed upon budget. Changes in FTES targets or productivity budgets need to be agreed upon at the district level so budgets can be adjusted accordingly. While there has been no formal administrative procedure in recent years for penalties or incentives if the colleges varied from FTES or productivity targets, there has been continuous adherence to these budgets with very little variance.

11. **Budget Monitoring:** Is this area acceptable? **Yes**

Is there sufficient consideration to the budget, related to long-term bargaining agreements?
Yes. (See question 6.)

Are budget revisions completed in a timely manner?
Yes, budget revisions are processed in a timely manner and subject to the board's review and approval with each quarterly report.

Does the district openly discuss the impact of budget revisions at the board level?
Yes, the board receives a complete reconciliation of all revisions and transfers processed in each quarter, and the Vice Chancellor of Business Services or the Director of Budget Operations answers all questions in a timely manner.

Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?
Yes, the board receives and approves a complete reconciliation of all revisions and transfers processed in each quarter, as well as the Quarterly Financial Status Reports (CCFS-311Q), which includes a summary of costs due to collective bargaining agreements.

Has the district's long-term debt decreased from the prior fiscal year?

The District did not issue any additional debt in fiscal year 2011/12. In June 2012, the 1997 Certificate of Participation in the amount of $12.52 million matured. Therefore, yes, the long-term debt decreased in comparison to the prior year.

Has the district identified the repayment sources for the long-term debt?
Yes, the long-term debt is financed through special revenue sources. The parking structure debt is financed through parking fee revenue. The technical infrastructure debt is financed through district general funds. The Foothill College Campus Center debt and the De Anza College Campus Center debt are financed through campus center use fees. The Foothill College Bookstore equipment acquisition is financed through the Foothill College Bookstore operations.

Does the district compile annualized revenue and expenditure projections throughout the year?
Yes, the District Budget Committee and the Audit and Finance Committee review revenue and expense projections at the end of each quarter before the Board of Trustees approves them in the quarterly reports.

12. **Retiree Health Benefits:** Is this area acceptable? **Yes**

The most recent actuarial report, dated August 10, 2012, represented a valuation of our retiree health program as of June 30, 2011. We are required to update this report every other year. The next actuarial report to update our Actuarial Accrued Liability (AAL) and Annual Required Contribution (ARC) will be prepared in the summer of 2013. In order to contain ever-increasing costs, the district has changed its health care plan from a self-funded model to joining the CalPERS Health Care program at the end of FY 2011-12 beginning July 1, 2012. We budget the annual contribution using a three-year smoothing approach in order to minimize major fluctuations in the annual required contribution.

Does the district have a plan for addressing the retiree benefits liabilities?
Yes, the Board of Trustees adopted a plan at the November 6, 2006, board meeting to fully fund the ARC as calculated in the August 2006 actuarial study. In 2009, after an exhaustive evaluation process, the district opted to leave the Community College League of California (CCLC) Retiree Joint Powers Authority and join the California Employers' Retiree Benefit Trust (CERBT) as sponsored by the California Public Employees Retirement System (CalPERS). As presented in the January 2010 report, the district transferred all funds from the CCLC program to the California Employees Retiree Benefit Trust. As of June 30, 2012, the District's balance in CERBT was $6,564,872.

13. **Leadership/Stability:** Is this area acceptable? **Yes**

Has the District experienced recent turnover in its management team (including the Chief Executive, Chief Business Officer, and Board of Trustees)?
No, Dr. Linda Thor has been serving as chancellor since February 2010. Vice Chancellor for Business Services, Kevin McElroy, began his assignment approximately six months later in August 2010.

While it has only been a little over two years since the chancellor started her assignment and a little less than two years since the vice chancellor began his assignment, both Dr. Thor and Kevin McElroy bring with them a wealth of community college administrative leadership experience. Dr. Thor worked in the Los Angeles Community College District for sixteen years, serving as president of West Los Angeles Community College for four-and-a-half of those years. She then accepted the presidency for Rio Salado Community College, one of ten colleges in the renowned Maricopa County Community College District in Arizona, where she presided for twenty years prior to arriving at Foothill-De Anza Community College District.

Mr. McElroy worked for five years in the private sector at the beginning of his career before joining the Coast Community College District in Orange County in 1984. He started as Director of Fiscal Services on the Golden West campus, and served the last twenty years as the Vice President of Administrative Services for Coastline College.

After Fred Sherman's June 2012 retirement as Vice Chancellor for Technology Services, Joseph Moreau was selected as his replacement and began immediately following Mr. Sherman's departure. Mr. Moreau worked in the California community college system for eighteen years, including eight years as a chief information officer, before accepting the CIO position at State University of New York at Oswego in 2008. Mr. Moreau has twenty-five-plus years of experience in the field of technology that he brings to Foothill-DeAnza Community College District.

All other members of the Chancellor's Staff have held their positions since at least 2007.

14. **District Liability:** Is this area acceptable? **Yes**

Has the district performed the proper legal analysis regarding potential lawsuits that may require the district to maintain increased reserve levels?
Although risk management is a decentralized activity across the district, we maintain a comprehensive Risk Management department. This office, in an effort to identify and mitigate potential liabilities and/or litigation, maintains regular communication with administrators throughout the organization. In most cases, careful decision-making, foresight and pro-active steps prevent such situations from becoming legal actions. Non-litigated claims against the District were small both in number and cost. When necessary, external legal counsel is engaged. The district maintains a relationship with specialized legal counsel in the areas of construction management and human resources issues. The district is self-insured for Workers' Compensation and is fully funded via the annual actuarial, which adjusts contribution rates as necessary. The district also maintains adequate reserves to mitigate any adverse employment decisions.

15. **Reporting:** Is this area acceptable? **Yes**

Has the district filed the annual audit report with the Systems Office on a timely basis?
Yes, for fiscal years 2007/08 through 2011/12, the annual audit report has been brought first to the Audit and Finance Committee and then to the Board of Trustees. As contractually agreed upon with our external auditors, the auditors have filed the annual report with the System Office on a timely basis.

Has the district taken appropriate actions to address material findings cited in their annual audit report?

Yes, each year we discuss the audit findings and recommendations of the fiscal year just ended with the Audit and Finance Committee. Subsequently, in March of every year we provide the Audit and Finance Committee with the status of the management's response and action taken to correct these findings.

Has the district met the requirements of the 50 percent law?

Yes, for the fiscal years 2007/08 through 2011/12 the district has met the requirements of the 50% law. The percentage of Instructional Salary Costs to Current Expense of Education for each of these years is:

2007/08	51.50%
2008/09	51.71%
2009/10	52.73%
2010/11	51.19%
2011/12	51.57%

Have the Quarterly Financial Status Reports (CCFS-311Q), Annual Financial and Budget Reports (CCFS 311), and Apportionment Attendance Reports (CCFS-320) been submitted to the System Office on or before the stated deadlines?

Yes, for the years 2007/08 through 2011/12 each of these quarterly and annual reports has been submitted to the System Office by the stated deadlines.

Exhibit 1

Changes in Fund 114 Revenue and Expenses

	03/04 Actual	04/05 Actual	05/06 Actual	06/07 Actual	07/08 Actual	08/09 Actual	09/10 Actual	%	10/11 Actual	%	11/12 Actual	%	12/13 Budget (Best)	%
Revenues														
Base Revenue & Equalization	117,271,492	124,924,272	143,368,551	150,791,141	156,876,264	159,121,665	156,230,910	84.64%	155,730,575	84.68%	140,984,178	82.72%	141,336,671	82.45%
PY Gen Apportionment	982,506					2,800,000	672,747							
PFE	6,767,432	5,795,010												
Lottery	4,053,732	4,280,647	4,046,409	4,592,748	4,157,083	4,250,365	4,337,731	2.35%	4,080,077	2.22%	3,912,098	2.30%	3,956,680	2.31%
NR Tuition	11,795,607	10,917,695	11,240,839	13,219,114	15,002,590	17,103,785	18,181,559	9.85%	19,785,786	10.76%	21,591,661	12.67%	21,591,661	12.60%
Mandated Block Grant revenue													804,889	0.47%
Other Revenue														
PT Faculty Funding	1,475,772	1,475,772	1,475,772	1,475,772	1,475,772	1,434,467	702,925	0.38%	702,925	0.38%	702,925	0.41%	702,925	0.41%
2% Resident Enrollment Fees	191,777	273,632	335,014	335,014	335,014	335,014	335,014	0.18%	335,014	0.18%	335,014	0.20%	335,014	0.20%
Interest	784,323	1,372,660	1,928,047	3,504,022	3,694,312	1,905,326	774,865	0.42%	629,361	0.34%	607,525	0.36%	500,000	0.29%
Campus Generated Income	1,915,056	1,767,222	1,814,500	2,436,701	1,845,152	2,069,373	2,543,557	1.38%	1,974,164	1.07%	1,982,838	1.16%	1,891,161	1.10%
One-Time Prop 98 Funds & Equalization				7,202,514		0	0							
Other Revenue	935,806	738,780	1,260,673	952,390	582,720	202,548	806,029	0.44%	668,896	0.36%	329,375	0.19%	301,095	0.18%
Total Revenue	146,173,504	151,545,690	165,469,805	184,509,416	183,968,907	189,222,543	184,585,337	99.64%	183,906,798	100.00%	170,445,614	100.00%	171,420,096	100.00%
Expenses														
Salaries	93,233,218	94,060,832	97,081,510	105,432,628	116,310,415	117,600,467	113,838,157	62.84%	113,541,126	64.56%	112,465,255	63.42%	113,245,183	63.92%
Benefits	32,151,961	29,490,850	32,146,500	34,832,553	38,325,192	37,663,352	41,451,654	22.88%	36,861,962	20.96%	38,617,293	21.77%	38,687,129	21.84%
Materials and Supplies	2,999,861	3,280,972	3,544,544	4,031,069	4,573,983	3,759,750	3,012,386	1.66%	3,087,348	1.76%	2,731,637	1.54%	2,146,514	1.21%
Operating Expenses	13,309,265	12,612,404	16,368,891	15,651,886	17,192,338	16,345,732	13,820,089	7.63%	14,429,687	8.20%	15,000,205	8.46%	16,417,439	9.27%
Capital Outlay	787,495	700,833	1,233,987	1,115,529	781,161	356,005	33,189	0.02%	207,850	0.12%	209,430	0.12%	27,810	0.02%
Transfers (net)	3,481,657	11,375,569	9,400,562	10,742,944	10,306,780	10,641,836	8,996,753	4.97%	7,744,635	4.40%	8,323,809	4.69%	6,644,668	3.75%
Total Expenses	145,963,457	151,521,460	159,775,994	171,806,609	187,489,869	186,367,142	181,152,229	100.00%	175,872,608	100.00%	177,347,630	100.00%	177,168,741	100.00%
Net Gain/Loss	210,047	24,230	5,693,811	12,702,807	(3,520,962)	2,855,401	3,433,109	(a)	8,034,190	(a)	(6,902,016)	(a)	(5,748,646)	(a)
Net Deficit 6/30/12													(5,748,646)	
Beginning Fund Balance	15,518,676	15,728,723	15,752,953	21,446,764	34,149,571	30,628,609	33,374,829	(b)	36,807,938	(b)	45,116,972	(b)	38,214,956	(b)
Ending Fund Balance	15,728,723	15,752,953	21,446,764	34,149,571	30,628,609	33,484,010	36,807,938	(b-a)	44,842,128	(b-a)	38,214,956	(b-a)	32,466,310	(b-a)
Designated Fund Balance	2,594,151	4,269,943	9,267,224	21,607,611	16,401,721	17,682,806	15,534,335	©	19,840,518	©	21,651,302	(c), *Note 1*	21,651,302	(c), *Note 1*
Fund Balance Before 5% Reserves	13,134,572	11,483,010	12,179,540	12,541,960	14,226,888	15,801,204	21,273,602	(b-a)-c	25,001,610	(b-a)-c	16,563,654	(b-a)-c	10,815,008	(b-a)-c
5% Reserve	7,300,000	7,870,000	8,010,000	9,260,000	10,000,000	10,430,000	10,290,000	(d)	9,890,000	(d)	10,060,000	(d)	9,890,000	(d)
Variance from Reserve	5,834,572	3,613,010	4,169,540	3,281,961	4,226,889	5,371,204	10,983,603	(b-a)-c-(d)	15,111,610	(b-a)-c-(d)	6,503,654	(b-a)-c-(d)	925,008	(b-a)-c-(d)

Note 1:

Funds set aside in FY 12/13 for:		
FH,DA,CS carryover	13,623,650	*(some or all of these funds may be used to offset FY 12/13 operating deficit as necessary)*
EIS backfill	1,098,303	
Encumbrances/Reservations	1,021,327	
DW Carryover	205,388	
Union Negotiated Items	202,634	
November 2012 Election Costs	500,000	
	16,651,302	
Additional Restrictions in FY 12/13:		
Enrollment Stimulus/Restoration	2,000,000	
13/14 Stability Fund	3,000,000	
	5,000,000	
Total Restricted Fund Balance:	21,651,302	