



October 13, 2015

Board of Education
Columbia Gorge Community College

RECOMMENDATION:

Receive and file the October Financial Report for Fiscal Year 2015-16.

DISCUSSION

Background

The October Financial Report includes three-months of financial data through twenty-five percent of the fiscal year. The year-end estimates-to-close included in the report are based on historical spending patterns and anticipated upcoming expenditures. Year-end estimates calculated this early in the fiscal year are highly subject to change based on future spending decisions.

Fiscal Year 2015-16 General Fund Expenditures

Actual General Fund Expenditures are down 22% from the same time last fiscal year. If current patterns persist, and if assumptions of future spending hold true, General Fund Expenditures are anticipated to end the year 7% under budget. This would equal a 10% decline in expenditures year-over-year. The largest sources of current year savings are in Instruction, Academic Support, and Institutional Support.

Fiscal Year 2015-16 General Fund Revenues

Total General Fund Revenues are projected to end the year 4% below budget. Declining enrollment is the primary reason for lower than expected revenues. State of Oregon funding and property tax receipts are currently anticipated to remain near budgeted figures. Cumulatively, tuition and fee receipts are down 12% compared to the same time last year and are expected to end the year below budget by a similar proportion. Full-year 2015-16 Academic Year Student FTE is expected to be between eight hundred and nine hundred. This is roughly equivalent to the 1999-00 Academic Year Student FTE.

Largest Factors that May Change Subsequent Year-end Estimates-to-Close

Subsequent year-end estimates will be increasingly accurate as each additional month of financial data is included. Below are the factors most likely to affect later forecasts, either positively or negatively:

State Funding – The current estimate of state funding is based on the latest figures provided by the Higher Education Coordinating Commission. The \$5.2M estimated FY2015-16 payment incorporates state-wide audited student FTE from the 2014-15 Academic Year. Through the last full academic year, CGCC remains at 1% of system-wide Student FTE.

Each college's payments will later be adjusted up or down after relative property tax assessments are also included in the distribution formula. Because State Funding is the college's largest revenue source, even small changes to the college's CCSF distribution proportion can have large budgetary impacts.

Materials & Services – Below average Materials & Services spending, as opposed to Personnel spending, is the largest unknown incorporated into the year-end expenditure estimates. This trend towards significant underspending of Materials & Services budgets will need to continue in order for the total estimated savings in the current report to fully materialize.

Use of Contingency – With twenty-five percent of the fiscal year complete, the current year-end estimate assumes that twenty-five percent of Contingency will be left unused. If no Contingency is accessed in the current year, an additional \$300 thousand will be saved over and above the amount currently forecasted. Last fiscal year, Contingency was used for over expenditure in Instruction as well as a college-wide employee survey.

SUGGESTED ACTION:

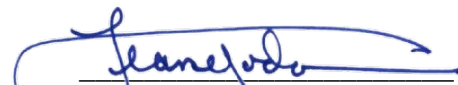
Approve recommendation.

Respectfully submitted,



WILL NORRIS
CHIEF FINANCIAL OFFICER

APPROVED: 10-5-2015



Dr. Frank Toda
PRESIDENT

GENERAL FUND REVENUE SUMMARY
 Through September 2015 (Through 25% of Fiscal Year)

Revenue	Adopted Budget	Adjusted Budget	Actual Revenue thru August 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Received thru	Fiscal Year 2014-15 Revenue thru September	Year-End Actual Revenue
State of Oregon	\$ 5,281,094	\$ 5,281,094	\$ 2,040,605	\$ 5,244,148	\$ (36,946)	39%	\$ 1,001,910	\$ 3,003,269
Property Tax	1,090,563	1,090,563	-	1,118,855	28,292	0%	8,133	1,096,917
Tuition	2,540,684	2,540,684	906,929	2,145,721	(394,963)	36%	1,036,889	2,435,291
Fees	647,268	647,268	254,135	668,693	21,425	39%	228,917	607,874
Other	124,647	124,647	3,222	94,647	(30,000)	3%	1,062	121,056
Sales & Services	8,001	8,001	511	3,851	(4,150)	6%	1,243	5,530
Transfers In	430,200	430,200	-	430,200	-	0%	-	2,406,852
TOTAL	\$ 10,122,457	\$ 10,122,457	\$ 3,205,402	\$ 9,706,116	\$ (416,341)	32%	\$ 2,278,153	\$ 9,676,789

GENERAL FUND EXPENDITURE SUMMARY
 Through September 2015 (Through 25% of Fiscal Year)

Function	Adopted Budget	Adjusted Budget	Expenses thru September 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Expended thru	Fiscal Year 2014-15 Expenses thru September	Year-End Actual
Instruction	\$ 3,479,582	\$ 3,479,582	\$ 665,292	\$ 3,338,379	\$ (141,203)	19%	\$ 777,579	\$ 3,845,642
Academic Support	1,026,979	1,026,979	204,412	869,127	(157,852)	20%	253,737	912,141
Student Services	758,201	758,201	120,362	697,429	(60,772)	16%	301,922	961,361
Institutional Support	2,437,876	2,437,876	671,103	2,298,727	(139,149)	28%	815,441	2,595,456
Financial Aid	24,393	24,393	3,725	16,246	(8,147)	15%	7,062	16,382
Plant Operation & Maintenance	956,823	956,823	221,685	926,838	(29,985)	23%	256,635	998,443
Other (Transfers, Debt, Contingency)	499,322	499,322	46,672	399,322	(100,000)	9%	79,233	203,393
TOTAL	\$ 9,183,176	\$ 9,183,176	\$ 1,933,251	\$ 8,546,068	\$ (637,108)	21%	\$ 2,491,609	\$ 9,532,817

(excludes one-time expenditures or revenues)

Surplus/(Deficit)	\$ (103,668)
Net Variance to Budget	\$ 220,767
Projected Ending Fund Balance	\$ 769,427

CASH & INVESTMENTS

Account	Sep 30th, 2015	Sep 30th, 2014
Local Government Investment Pool	\$ 835,297	\$ 1,290,800
US Bank	790,009	474,834
Fidelity Investments	2,924,015	3,183,936
TOTAL	\$ 4,549,322	\$ 4,949,570