



August 11, 2015

Board of Education
Columbia Gorge Community College

RECOMMENDATION:

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

DISCUSSION

Fiscal Year 2015-16 General Fund Summary

Through the first month of the new fiscal year, college-wide expenditures are aligning to budget. However, summer term tuition and fee revenue is down 20% from the same month last year. The Fiscal Year 2015-16 budget was balanced on the assumption of flat enrollment and a 7% increase in total tuition and fee receipts. Enrollment and revenue figures will continue to be closely monitored over the next month.

Fall registration begins August 10 and will provide a strong indicator of whether the summer enrollment decline is an anomaly or part of a continued trend. Historically, community college enrollment follows the regional unemployment rate. The Oregon Employment Department released figures last month which showed the unemployment rate in Hood River County tied with its lowest level since 2007. Wasco County is also nearing record low unemployment rates. This suggests that enrollment may continue to be low through the upcoming academic year.

The Business Office will provide full yearend estimates-to-close at the Board of Education's regular October meeting after the first quarter of the fiscal year is complete.

Accounting Review of Oregon Community Colleges

The Fiscal Year 2015-16 Columbia Gorge Community College (CGCC) Budget Committee recommended the following resolution which was adopted by the Board of Education at the June, 2015 regular meeting:

"It is a goal of the CGCC Board of Education that the percent of resources expended on Institutional Support be at or below the average for Oregon community colleges of similar size, after considering differences in accounting practices. The leadership team shall consider this goal in proposing the annual budget, and the budget officer shall describe the degree of compliance with that goal in the annual budget message."

The resolution requires examining the financial practices of other Oregon community colleges. The Business Office has completed an Oregon-wide survey of Institutional Support budgeting practices and will be bringing a staff report, with initial recommendations to align CGCC's practices to those of other Oregon community colleges, to the Board of Education at the regular September meeting.

Public Employee Retirement System (PERS) Changes

The Oregon PERS Board adopted several actuarial changes at their July 31st meeting. The most significant change was a reduction to the assumed rate of return on PERS investments. The rate was decreased from 7.75% to 7.5%, meaning that the Board expects investment returns to constitute a smaller proportion of the revenue needed to meet future pension obligations. The result will be higher employer contribution rates beginning in the 2017-19 biennium. The Business Office and Human Resources Department are exploring options to contract with an actuarial consultant to forecast the Fiscal Year 2017-18 fiscal impact to the college.

SUGGESTED ACTION:

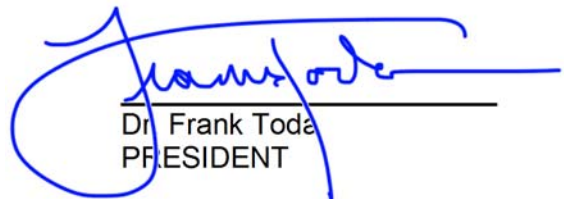
Approve recommendation.

Respectfully submitted,



WILL NORRIS
CHIEF FINANCIAL OFFICER

APPROVED:



Dr. Frank Toda
PRESIDENT

GENERAL FUND REVENUE SUMMARY
 Through July 2015 (Through 8% of Fiscal Year)

Revenue	Adopted Budget	Adjusted Budget	Actual Revenue thru July 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Received thru June 2015	Fiscal Year 2014-15 Revenue thru July 2014	Year-End Actual Revenue
State of Oregon	\$ 5,281,094	\$ 5,281,094	\$ 963,716			18%	\$ -	\$ 3,003,269
Property Tax	1,090,563	1,090,563	-			0%	-	1,090,028
Tuition	2,540,684	2,540,684	186,452			7%	240,958	2,435,101
Fees	647,268	647,268	48,305			7%	51,926	608,043
Other	124,647	124,647	829			1%	(16,176)	110,505
Sales & Services	8,001	8,001	104			1%	396	5,592
Transfers In	430,200	430,200	-			0%	-	2,406,852
TOTAL	\$ 10,122,457	\$ 10,122,457	\$ 1,199,406			12%	\$ 277,105	\$ 9,659,390

GENERAL FUND EXPENDITURE SUMMARY
 Through July 2015 (Through 8% of Fiscal Year)

Function	Adopted Budget	Adjusted Budget	Expenses thru July 2015	Year End Estimate	Year End Estimate Over / (Under) Budget	Percentage of Adjusted Budget Expended thru July 2015	Fiscal Year 2014-15 Expenses thru July 2014	Year-End Actual
Instruction	\$ 3,479,582	\$ 3,479,582	\$ 220,467			6%	\$ 257,031	\$ 3,864,628
Academic Support	1,026,979	1,026,979	69,176			7%	85,455	913,099
Student Services	758,201	758,201	33,268			4%	86,993	970,465
Institutional Support	2,437,876	2,437,876	177,227			7%	392,512	2,594,091
Financial Aid	24,393	24,393	582			2%	881	27,285
Plant Operation & Maintenance	956,823	956,823	61,259			6%	91,840	992,430
Other (Transfers, Debt, Contingency)	499,322	499,322	-			0%	-	201,256
TOTAL	\$ 9,183,176	\$ 9,183,176	\$ 561,980			6%	\$ 914,712	\$ 9,563,253

CASH & INVESTMENTS

Account	July 30th, 2015	July 31th, 2014
Local Government Investment Pool	\$ 483,981	\$ 1,594,251
US Bank	505,372	446,538
Fidelity Investments	2,421,635	3,179,346
TOTAL	\$ 3,410,988	\$ 5,220,135

2015-16 Summer Term Enrollment Report

Department	Enrolled Students	Section Count	Avg. Class Size	Count of Under-Enrolled Courses:	
				Less than 12 Students	Less than 8 Students
Arts & Humanities	46	3	15.3	1	-
Writing, Reading, Lit, Language	75	4	18.8	1	-
Business Administration	20	1	20.0	-	-
Certified Nursing Assistant					
Computer Applications	57	3	19.0	-	-
Computer Science					
Electronic Engineering					
Emergency Med Tech					
First Aid & CPR					
Physical Education	30	1	30.0	-	-
Math	37	2	18.5	-	-
Medical Assisting					
Medical Terminology					
Nursing	43	2	21.5	-	-
Other Professional Tech					
Post-Secondary Remedial					
Pre-College	73	7	10.4	4	2
Pre-College Math	47	3	15.7	-	-
RET					
Science	37	3	12.3	1	1
Social Science	151	9	16.8	1	1
Summary	616	38	16.2	8	4

Source: RogueNet 2015-16 Summer Term Average Class Size Report, as of 7/6/15
 Excludes ESOL, & Community Ed

Historical Summer Enrollment Data					
Academic Year	2010-11	2011-12	2012-13	2013-14	2014-15
Average Class Size	17.7	18.0	15.4	14.4	11.3