

**MONITORING REPORT**  
**POLICY TYPE: EXECUTIVE BOUNDARIES**  
**POLICY TITLE: FINANCIAL CONDITION**

Governing Board Agenda  
 ITEM NUMBER

ITEM TITLE

Meeting Date: 06/24/08  
 RESPONSIBLE AGENTS

Budget Analysis Report  
 Fund 1: General Unrestricted Fund  
 For the Eleven Months Ending 5/31/2008

Ms. Debra Thompson  
 Ms. Kim Granio

Expenditure Summary: \$432.7M (year to date)

- Projected expenditure at year end: \$522.0M
- 77.9% of expenditures have been recognized year to date (versus 78.3% in 06/07 and 83.1% in 05/06).
- 14.5% of the budget remains unexpended or unencumbered (versus 14.7% last year).

Revenue Summary: \$542.7M (year to date)

- Projected revenue at year end: \$522.6M
- 97.7% of the budget has been recognized year to date (versus 95.4% in 06/07 and 95.6% in 05/06).

Fund Balance and Financial Stability Requirements

- Projections are for the Fund 1 balance to increase by ~\$1.0M (from \$88.5M to \$89.5M) in FY 07-08.
- MCCCDC is required to maintain a financial stability balance equal to 8% of the annual projected revenue. This currently equates to \$42.0M. The remaining fund balance of \$47.5M is comprised of college carryforward, designations for future operations, minimum financial condition measure for future years, medical insurance reserve, and a projected undesignated balance of \$1.7M.

Items of Particular Interest: Substantial Deviations from Budget or Expectations

- None

More information on the Budget Analysis Report access:  
<http://www.maricopa.edu/business/reporting/reports.html>

This report is also provided to the Audit & Finance Committee quarterly.

<b>Funding</b>	<b>Approvals/Certifications</b>
<p><u>Source:</u></p> <p><u>Account Identification:</u></p>	<p>Chancellor _____</p> <p>Academic &amp; Student Affairs _____</p> <p>Business Services _____</p> <p>Human Resources _____</p> <p>Res Dev &amp; Com Affairs _____ ITS _____</p> <p>College President _____</p>

**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT  
BUDGET ANALYSIS REPORT  
MAY 2008**

**Fund 1: May 2008  
EXPENDITURE ANALYSIS**

<u>By Function:</u>	<u>Budget (a)</u>	<u>Amount Expended</u>	<u>Percent Expended 07-08</u>	<u>Percent Expended 06-07</u>	<u>Percent Expended 05-06</u>	<u>Amount Encumbered</u>	<u>Unencumbered Balance Available</u>	<u>Percent of Budget Available</u>
INSTRUCTION	249,830,119	213,419,846	85.4	85.8	88.2	15,178,370	21,231,904	8.5
PUBLIC SERVICE	320,554	261,662	81.6	90.1	92.6	37,923	20,969	6.5
ACADEMIC SUPPORT	64,617,875	48,372,696	74.9	77.1	77.1	6,325,362	9,919,817	15.4
STUDENT SERVICES	38,793,407	32,835,966	84.6	87.2	87.9	3,321,635	2,635,807	6.8
GENERAL INSTITUTIONAL	59,723,690	39,436,098	66.0	68.5	68.6	4,457,367	15,830,225	26.5
ADMINISTRATION	81,992,649	65,987,337	80.5	79.9	88.5	6,927,507	9,077,806	11.1
PHYSICAL PLANT	38,587,503	32,354,079	83.8	85.7	84.1	5,839,977	393,447	1.0
CONTINGENCIES:								
COLLEGE CARRYFORWARD	17,261,886	0	0.0	0.0	1.6	0	17,261,886	100.0
UNCOLLECTED TAX LEVY	3,258,356	0	0.0	0.0	0.0	0	3,258,356	100.0
BASIC	900,000	0	0.0	0.0	100.0	0	900,000	100.0
<b>TOTAL OPERATIONAL</b>	<b>555,286,039</b>	<b>432,667,683</b>	<b>77.9</b>	<b>78.3</b>	<b>83.1</b>	<b>42,088,140</b>	<b>80,530,216</b>	<b>14.5</b>
<b>By Object:</b>								
PERSONAL SERVICES	317,711,604	278,636,833	87.7	89.5	91.1	23,027,899	16,046,871	5.1
EMPLOYEE BENEFITS	80,962,740	68,801,387	85.0	85.3	89.7	6,486,272	5,675,080	7.0
CONTRACTUAL SERVICES	38,268,060	30,633,083	80.0	83.1	82.5	5,514,685	2,120,292	5.5
SUPPLIES, MATERIALS, PARTS	10,606,175	7,583,327	71.5	77.6	80.0	2,263,626	759,221	7.2
CURRENT FIXED CHARGES	7,563,428	6,660,965	88.1	75.0	79.0	901,842	621	0.0
COMMUNICATIONS AND UTILITIES	15,845,205	13,111,190	82.7	82.4	79.5	2,733,005	1,011	0.0
TRAVEL	3,413,838	2,191,654	64.2	78.3	83.2	149,411	1,072,773	31.4
STUDENT AID AND MISCELLANEOUS	10,265,040	3,578,048	34.9	50.8	42.9	233,825	6,453,167	62.9
TRANSFERS-INTRAFUND	24,825,844	0	0.0	0.0	11.7	777,575	24,048,269	96.9
TRANSFERS TO OTHER FUNDS	24,403,864	21,471,196	88.0	87.7	92.1	0	2,932,668	12.0
CONTINGENCIES:								
COLLEGE CARRYFORWARD	17,261,886	0	0.0	0.0	1.6	0	17,261,886	100.0
UNCOLLECTED TAX LEVY	3,258,356	0	0.0	0.0	0.0	0	3,258,356	100.0
BASIC	900,000	0	0.0	0.0	100.0	0	900,000	100.0
<b>TOTAL OPERATIONAL</b>	<b>555,286,039</b>	<b>432,667,683</b>	<b>77.9</b>	<b>78.3</b>	<b>83.1</b>	<b>42,088,140</b>	<b>80,530,216</b>	<b>14.5</b>

(a) Represents amended budget, as amended by approved budget transfers.

**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT  
BUDGET ANALYSIS REPORT  
MAY 2008**

REVENUE ANALYSIS ( a )	Budget ( b )	Recognized	Percent Recognized 07-08	Percent Recognized 06-07	Percent Recognized 05-06	Projected Revenue	Projected Variance Over/(Under) Budget	Comments
PROPERTY TAX	321,018,986	313,446,308	97.6	97.0	96.6	317,760,630	-3,258,356	Projected, see (a)
STATE AID	57,528,300	57,528,300	100.0	100.0	100.0	57,528,300	0	Per State Budget
IN LIEU TAX, SALT RIVER PROJECT	4,816,598	4,741,676	98.4	98.6	96.9	4,739,007	-77,591	Based on budget
GENERAL TUITION	116,216,100	108,798,039	93.6	88.6	90.0	116,216,100	0	Based on budget
OUT-OF-STATE TUITION	11,074,650	14,763,328	133.3	101.5	90.4	11,074,650	0	Based on budget
OUT-OF-COUNTY TUITION	492,045	444,097	90.3	101.9	198.2	492,045	0	Based on budget
OTHER FEES AND CHARGES	5,974,060	5,377,580	90.0	91.7	91.3	5,974,060	0	Based on budget
INVESTMENT INCOME	3,500,000	4,604,074	131.5	190.3	185.7	4,800,000	1,300,000	Based on budget
MISCELLANEOUS AND OTHER	910,000	842,200	92.5	183.4	146.5	910,000	0	Based on budget
TRANSFERS IN	3,586,200	2,000,000	55.8	0.6	62.8	3,586,200	0	Based on budget
COLLEGE CARRYFORWARD	30,169,100	30,169,100	100.0	100.0	100.0	30,169,100	0	Revised 8-13-07
<b>TOTAL</b>	<b>555,286,039</b>	<b>542,714,701</b>	<b>97.7</b>	<b>95.4</b>	<b>95.6</b>	<b>553,250,092</b>	<b>-2,035,947</b>	
<b>FINANCIAL CONDITION ANALYSIS</b>								
						-30,169,100		
						523,080,992		
						-522,046,617		
						1,034,375		
						88,539,448		
						89,573,823		17%
						9,734,891		
						2,116,350		
						18,317,859		
						30,169,100		
						10,142,944		
						40,312,044		
						42,009,355		8%
						5,600,000		
						1,652,424		

(a) See specific revenue analysis by type on page 3

(b) Represents adopted budget, as amended by approved budget transfers.

(c) Projections based on college actuals, district office averages, and assumptions regarding transfers and reserve lines.

(d) The financial condition measure represents that portion of the undesignated general fund balance equal to 8% of the annual budgeted revenues. This measure represents the minimum level of the undesignated general fund balance that must be continuously maintained to ensure continued operations in the event of unforeseen circumstances and contingencies.

**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT  
BUDGET ANALYSIS REPORT  
MAY 2008**

**EXPENDITURE COMMENTS**

Expenditures have been selected for comment (1) if the percent of budget expended varies from the prior year by at least five percentage points or (2) if transactions or activities during the month are unusual. Some of these variations result from fluctuations in budget amounts allocated from year to year. Others are the result of timing differences for annually recurring expenditures.

Public Service	In FY07, there were payments made for services related to the MCCCCD AZ Issues programs, in which no services have been performed in FY08.
Supplies, Materials, Parts	An increase in the budgeted amount between April and May 08 results in a lower percent recognized for FY08.
Current Fixed Charges	Increase due to higher rents at some MCC satellites, an increase in legal fees, and an overall increase in dues.
Travel	A decrease in expenditures for international travel results in a lower percent expended year to date.
Student Aid and Misc.	The lower percentage used to date is due to the final payment of the Burke vs. ASRS lawsuit being paid in FY 07.

**REVENUE COMMENTS**

General Tuition	A decrease in the budgeted amount for FY08 along with an increase in amount recognized in FY08 results in a higher percent recognized in FY08.
Out-of-State Tuition	Out of State revenue higher because the default for registration, without proper in-state residence proof, is charged at the out of state rate.
Out-of-County Tuition	An increase in the budgeted Out-of-County tuition (+27%) results in lower Out of County tuition percent recognized year-to-date.
Investment Income	The variance is primarily due to the increase in budgeted amounts in anticipation of a continued improving market environment. This represents earnings on operating funds held by the State and County Treasurers. Earnings are allocated monthly and quarterly, respectively. Projected revenues are based on market and general economic conditions.
Misc. Income and Other	A lower percent has been recognized year to date due to rent payments and a lease buyout payment that were received in FY07 for the Emerald Point building.
Transfers in	A budgeted transfer from plant occurred in January 2008 but there was no transfer in FY 2007, causing a higher percent recognized in FY 2008.