

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

Governing Board Agenda  
 ITEM NUMBER

Meeting Date: 09/23/08  
 RESPONSIBLE AGENTS

ITEM TITLE  
 Budget Analysis Report  
 Fund 1: General Unrestricted Fund  
 For the Two Months Ending 8/31/2008

Ms. Debra Thompson  
 Ms. Kim Granio

Expenditure Summary: \$70.9M (year to date)

- Projected expenditure at year end: \$561.4M  
 11.8% of expenditures have been recognized year to date (versus 13.8% in 07/08 and 11.4% in 06/07).
- 42.4% of the budget remains unexpended or unencumbered (versus 36.2% last year).

Revenue Summary: \$107.2M (year to date)

- Projected revenue at year end: \$562.0M
- 17.9% of the budget has been recognized year to date (versus 17.1% in 07/08 and 19.5% in 06/07).

Fund Balance and Financial Stability Requirements

- Projections are for the Fund 1 balance to increase by ~\$0.6M (from \$98.9M to \$99.5M) in FY 08-09.
- MCCCDC is required to maintain a financial stability balance equal to 8% of the annual projected revenue. This currently equates to \$45.0M. The remaining fund balance of \$54.5M 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 \$1.8M.

Items of Particular Interest: Substantial Deviations from Budget or Expectations

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  
 FUND 1 - CURRENT UNRESTRICTED FUND  
 August 1, 2008 through August 31, 2008

EXPENDITURE ANALYSIS

<b>By Function:</b>	<b>Budget (a)</b>	<b>Amount Expended</b>	<b>Percent Expended 08-09</b>	<b>Percent Expended 07-08</b>	<b>Percent Expended 06-07</b>	<b>Amount Encumbered</b>	<b>Unencumbered Balance Available</b>	<b>Percent of Budget Available</b>
INSTRUCTION	248,413,140	24,609,859	9.9	10.6	10.8	128,220,128	95,583,153	38.5
PUBLIC SERVICE	684,270	357,612	52.3	58.1	7.5	202,486	124,171	18.1
ACADEMIC SUPPORT	61,429,496	7,996,808	13.0	13.5	13.7	34,174,082	19,258,606	31.4
STUDENT SERVICES	45,666,368	6,710,387	14.7	15.6	16.4	24,606,523	14,349,459	31.4
GENERAL INSTITUTIONAL	88,741,746	7,934,560	8.9	16.2	9.1	17,976,730	62,830,456	70.8
ADMINISTRATION	82,907,679	17,732,749	21.4	24.6	14.8	43,699,989	21,474,941	25.9
PHYSICAL PLANT	36,397,849	5,556,502	15.3	16.8	16.4	25,843,602	4,997,745	13.7
CONTINGENCIES:								
COLLEGE CARRYFORWARD	28,611,448	0	0.0	0.0	0.0	0	28,611,448	100.0
TAX LEVY: UNCOLLECTED	4,701,113	0	0.0	0.0	0.0	0	4,701,113	100.0
TAX LEVY: QWEST JUDGMENT	1,937,187	0	0.0	0.0	0.0	0	1,937,187	100.0
BASIC	900,000	0	0.0	0.0	0.0	0	900,000	100.0
<b>TOTAL OPERATIONAL</b>	<b>600,390,296</b>	<b>70,898,477</b>	<b>11.8</b>	<b>13.8</b>	<b>11.4</b>	<b>274,723,540</b>	<b>254,768,279</b>	<b>42.4</b>
<b>By Object:</b>								
PERSONAL SERVICES	330,243,652	38,230,738	11.6	12.2	12.3	206,803,361	85,209,553	25.8
EMPLOYEE BENEFITS	90,585,635	9,699,025	10.7	11.1	12.7	34,754,163	46,132,447	50.9
CONTRACTUAL SERVICES	39,738,785	7,239,682	18.2	17.5	17.1	15,268,286	17,230,817	43.4
SUPPLIES, MATERIALS, PARTS	9,358,901	964,598	10.3	10.3	10.0	3,431,640	4,962,663	53.0
CURRENT FIXED CHARGES	7,653,321	1,415,311	18.5	25.1	27.8	1,568,850	4,669,160	61.0
COMMUNICATIONS AND UTILITIES	15,286,329	2,351,225	15.4	15.3	14.0	12,721,432	213,673	1.4
TRAVEL	1,837,480	380,307	20.7	16.9	27.4	126,341	1,330,832	72.4
STUDENT AID AND MISCELLANEOUS	5,212,337	673,091	12.9	19.1	28.2	49,467	4,489,779	86.1
TRANSFERS-INTRAFUND	41,520,597	0	0.0	0.0	0.0	0	41,520,597	100.0
TRANSFERS TO OTHER FUNDS	22,803,510	9,944,500	43.6	77.0	12.9	0	12,859,010	56.4
CONTINGENCIES:								
COLLEGE CARRYFORWARD	28,611,448	0	0.0	0.0	0.0	0	28,611,448	100.0
TAX LEVY: UNCOLLECTED	4,701,113	0	0.0	0.0	0.0	0	4,701,113	100.0
TAX LEVY: QWEST JUDGMENT	1,937,187	0	0.0	0.0	0.0	0	1,937,187	100.0
BASIC	900,000	0	0.0	0.0	0.0	0	900,000	100.0
<b>TOTAL OPERATIONAL</b>	<b>600,390,296</b>	<b>70,898,477</b>	<b>11.8</b>	<b>13.8</b>	<b>11.4</b>	<b>274,723,540</b>	<b>254,768,279</b>	<b>42.4</b>

(a) Represents budget as amended by approved transfers.

**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT  
BUDGET ANALYSIS REPORT  
FUND 1 - CURRENT UNRESTRICTED FUND  
August 1, 2008 through August 31, 2008**

REVENUE ANALYSIS ( a )	Budget ( b )	Recognized	Percent Recognized 08-09	Percent Recognized 07-08	Percent Recognized 06-07	Projected Revenue	Projected Variance Over/(Under) Budget	Comments
PROPERTY TAX	347,905,170	2,889,424	0.8	0.7	0.6	341,266,870	-6,638,300	Projected, see (a)
STATE AID	57,528,300	13,854,025	24.1	25.0	25.0	55,416,100	-2,112,200	Per State Budget
IN LIEU TAX, SALT RIVER PROJECT	4,418,036	0	0.0	0.0	0.0	4,418,036	0	Based on budget
GENERAL TUITION	132,720,915	51,644,802	38.9	40.4	39.5	132,720,915	0	Based on budget
OUT-OF-STATE TUITION	12,184,050	6,577,109	54.0	66.8	45.8	12,184,050	0	Based on budget
OUT-OF-COUNTY TUITION	426,707	24,777	5.8	5.2	11.3	426,707	0	Based on budget
OTHER FEES AND CHARGES	5,974,060	1,993,827	33.4	34.1	35.9	5,974,060	0	Based on budget
INVESTMENT INCOME	3,850,000	452,145	11.7	10.0	15.5	3,850,000	0	Based on budget
MISCELLANEOUS AND OTHER	925,750	81,357	8.8	10.1	8.1	925,750	0	Based on budget
TRANSFERS IN	4,778,300	0	0.0	0.0	0.0	2,778,300	-2,000,000	Based on budget
COLLEGE CARRYFORWARD	29,679,008	29,679,008	100.0	100.0	100.0	29,679,008	0	Based on budget
<b>TOTAL</b>	<b>600,390,296</b>	<b>107,196,473</b>	<b>17.9</b>	<b>17.1</b>	<b>19.5</b>	<b>589,639,796</b>	<b>-10,750,500</b>	
<b>FINANCIAL CONDITION ANALYSIS</b>								
						-29,679,008		
						559,960,788		
						-559,383,639		
						577,149		
						98,877,957		
						99,455,106		18%
						12,507,520		
						5,171,488		
						12,000,000		
						29,679,008		
						12,664,662		
						42,343,670		
						44,796,863		8%
						8,400,000		
						2,000,000		
						1,914,573		

(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 projected 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**  
**FUND 1 - CURRENT UNRESTRICTED FUND**  
August 1, 2008 through August 31, 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	The budgeted amount increased by about \$400,000 from FY 08 to FY 09 resulting in a smaller percentage expended year to date.
General Institutional	Each year a transfer to the Auxiliary Fund for the Skill Centers occurs. Not all the transfers have been posted for FY 09, resulting in a lower percent recognized compared with the previous year.
Current Fixed Charges	Decrease due to timing of invoices paid for facilities/rentals. Some rental fees were paid in FY 08 but have not yet been paid in FY09.
Student Aid & Misc	Decrease due to the FY 08 bad debt accrual posted in June and reversed in July.
Transfers to Other Funds	Each year a transfer to the Auxiliary Fund for the Skill Centers occurs. Not all the transfers have been posted for FY 09, resulting in a lower percent recognized compared with the previous year.

**REVENUE COMMENTS**

Property Tax	The projected variance under budget of \$6,638,300 is made up of the usual uncollected tax levy of \$4,701,113 and the Qwest judgment of \$1,937,187. The Qwest judgment increased the budgeted property tax revenue by the \$1,937,187. Likewise, the budgeted expenses were increased by the same amount, creating a net effect of \$0.
Out-of-State Tuition	A 10% increase in the budget along with declining enrolment results in a smaller amount recognized year to date.