



OWENS
COMMUNITY COLLEGE

OFFICE OF BUSINESS AFFAIRS

To: Dr. Bower
President

From: David Cannon 
CFO

Date: July 14, 2016

Subject: Preliminary June Financial Report

Summary

These are very preliminary figures for June. June figures will change as year-end adjusting entries are entered for the audited financial statements.

The preliminary June projected Net Gain/(Loss) of \$2,006,557. This is slightly improved from the May figure of \$1,846,922 due to increase in Capital Appropriation spending. State capital funding increased due to the construction progress on Kingsley Hall. The changes in June provide for an estimated SB 6 ratio of 2.0 for FY16.









The YTD FY16 operating results through June are were significantly different than the May figures. This is due in part to the timing of many payments that could have been made in May and the challenging year-end process. YTD Operating Income/(Loss) dropped from \$6,369,893 through May to \$3,625,028 in June. In addition to the year-end spending that occurred in June, \$2,078,961 in Journeymen and Apprenticeship payments were processed in June with no revenue being posted. There will be offset of an account receivable on the balance sheet for these payments.

The year-end processing must be improved and departments held accountable for monitoring budgets and timeliness for processing. Without improved accountability, year-end projections are not manageable and accurate since it is dependent on timing of transactions and departments adhering to budgets and ensuring funds are available prior to spending.

Please see Dashboard metrics below for summary of financial measures.






OWENS COMMUNITY COLLEGE
 FY 2016 YTD FINANCIAL DASHBOARD
 Through June 30, 2016
 PRELIMINARY

ENROLLMENT & REVENUES







	<u>YTD</u>	<u>Target</u>	<u>Difference</u>	
Summer FTE Enrollment vs. Budget **	768.910	727.149	105.74%	
Summer Tuition Revenue vs. Budget	3,239,249	3,324,376	97.44%	
Fall FTE Enrollment vs. Budget	3,105.360	3,028.477	102.54%	
Fall Tuition Revenue vs. Budget	13,101,248	12,453,452	105.20%	
Spring FTE Enrollment vs. Budget	2,928.920	2,979.322	98.31%	
Projected Spring Tuition Revenue vs. Budget	10,813,722	13,118,339	82.43%	
Total Revenue Thru June (All Funds)	74,450,883	80,772,421	92.17%	
Total Revenue Proj Year-end (All Funds)	78,727,648	81,420,504	96.69%	

** I.E. stops running reports on August 5 for Summer

EXPENSES (All Funds)

	<u>YTD</u>	<u>Target</u>	<u>Difference</u>	
YTD Wages & Salaries vs. Budget	39,015,249	38,721,292	100.76%	
YTD Fringes vs. Budget	13,448,170	13,284,028	101.24%	
YTD Operating Expenses vs. Budget <i>(Non Payroll)</i>	15,348,500	18,244,424	84.13%	
Total Expenses Thru June (All Funds)	67,811,919	70,249,744	96.53%	
Total Expenses Proj Year-end (All Funds)	73,586,788	75,850,969	97.01%	

FINANCIAL STANDARDS POLICY

	<u>Year-end Proj</u>	<u>Budget</u>	
Operating Gain/(Loss) After Deprec.	(1,459,139)	(1,030,465)	
Net Gain/(Loss) in Position	2,006,557	2,810,499	
	<u>YTD</u>	<u>Target</u>	
Cash (General)	5,798,646	11,408,349	
Cash (Auxiliary)	1,070,868	1,344,959	
Cash (Plant)	133,795	3,559,375	
SB6 Composite Score	2.00	2.00	

Preliminary June 30, 2016 All Funds Financial Report

The All Funds Financial Report provides for year-to-date activity from all Owens' funds. The activity is accumulated and grouped by fund type.

Bottom Line

The preliminary bottom line figure on the All Funds Financial Report is the Projected Total FY16 Net Gain/(Loss) in Position of \$2,006,557 is slightly above the May figure of \$1,846,922 due to increase Capital Appropriations funding.

Operating Gain/(Loss) After Depreciation has decreased from (\$1,201,410) in May to (\$1,459,139) for June. This decrease can be traced back to the May financials that were somewhat overstated, and the increased Apprenticeship costs due to number of students.

The Preliminary Total YTD FY16 column reflects a much lower Net Gain/(Loss) in Position than the May figure due to timing and amounts of payments made in June. In addition to the over-spending that occurred in many departments, there was \$2,078,961 of Apprenticeship payments processed in June with no revenue booked for these transactions.

The Operating Income/(Loss) figure of \$3,625,028 reflects the impact of the additional spending noted above. These figures are well below the May Operating Income/(Loss) figure of \$6,369,893 and April amount of \$5,388,307, mainly due to the additional spending from May and June; and the Apprenticeship payments. Again, while this seems disappointing from prior month reporting, when compared to FY15 it is a much improved financial condition. The Operating Income/(Loss) is well ahead of the \$199,023 from June FY15 and \$861,484 through May FY15.

Revenues

Preliminary projected Total FY16 revenue projection is at \$78,727,648, which is comparable to the May estimate of \$78,576,829. Considering the circumstances we were dealt with the change in interpretation from DHE in November, I feel we made a very good recovery. To adjust for this significant impact to revenue projections our goal was to implement a revenue neutral solution, which I believe we accomplished.

It is difficult to draw comparisons from the year-to-date revenue figures. The overall decrease of \$14.3 million in FY16 from FY15 is partially attributable to decrease in state funding, DHE change in tuition interpretation, workforce contracted services (Apprenticeship contracts) and transfer of bookstore operations.

Expenses

Preliminary projected expenditures increased by approximately \$.4 million from May estimates. Much of the increase can be seen in the salaries and benefits accounts. This is due to the July 1 pay, of which much is earned in FY16; however there will be adjusting entries to reduce the current figure for costs not attributed to FY16. Those costs to be adjusted are due to the costs of summer courses that accounting standards require to be posted to FY17.

The other significant increase is due to the amount of payments for Apprenticeship contracts. The amount of payment exceeded the amount budgeted, but was not provided until late June. There is some offset to the additional costs in revenue earned; however, this has a significant impact on year-end budget.

It should be noted that expenditures continue to be well under budget. With the exception of salaries and benefits, all other accounts should end the year below budget.

Preliminary total YTD FY16 expenditures continue to be well below FY15 levels. Preliminary June expenditures are \$18.7 million below FY15. This figure is overstated as we have not made all payments and entries for June at this time.

Preliminary June 30, 2016 Unrestricted Fund Financial Report

The Unrestricted Fund is Owens' main operating fund. Tuition revenue, student fees, SSI, and Workforce related contracts are the major revenue sources in the Unrestricted Fund. Expenditures include salaries and benefits for faculty and staff, and operating costs related to the College.

This report provides a snapshot against budget, as well as a historical perspective on budgeted revenues and expenditures. The report provides columns for FY14 and FY15 budget and FY14 and FY15 YTD amounts to be used as comparison to FY16.

Bottom Line

The Preliminary Unrestricted Fund FY2016 Projected column decreased slightly from \$6,135,364 in May to \$6,039,590 in June. While revenue projections increased from the May estimate, expenditures also increased due the reasons provided above.

Preliminary June YTD Operating Income has decreased from \$6,965,563 in May to \$4,292,101 in June due to year-end spending, and \$2,078,961 of Apprenticeship payments made with no revenue to match costs.

Revenues

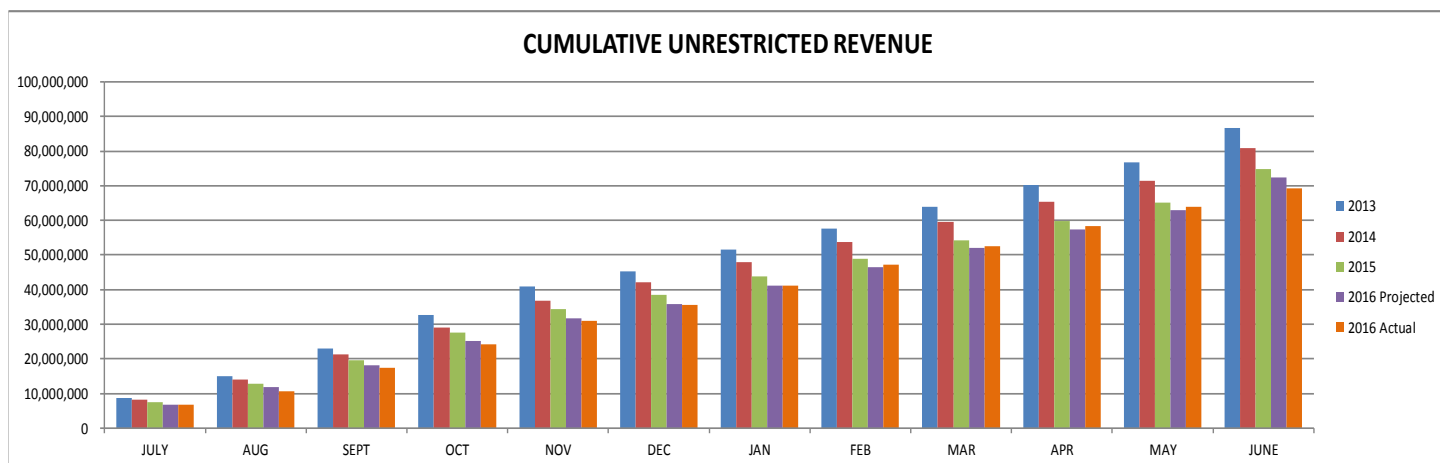
As stated previously, we used conservative estimates for revenues. June Unrestricted revenues are projected at \$73,263,237, compared to May estimate of \$71,852,306.

As discussed above, revenues reflect the adjustments for tuition and non-general fees. Due to the billing system calculations, those fee adjustments that increased student charges for Fall semester, initially classified those charges as Bad Debt Expense. We have credited those fees against the Fall Technical Fees since those charges are not bad debt and should not have been charged to students. This also provides better comparison against budget for Fall term.

Cumulative revenue through June is provided below as a comparison with prior year revenues and our monthly revenue projections. The chart below reflects the timing difference in the Cumulative Unrestricted Revenue based on the lower percentage of revenue collected compared to prior years.

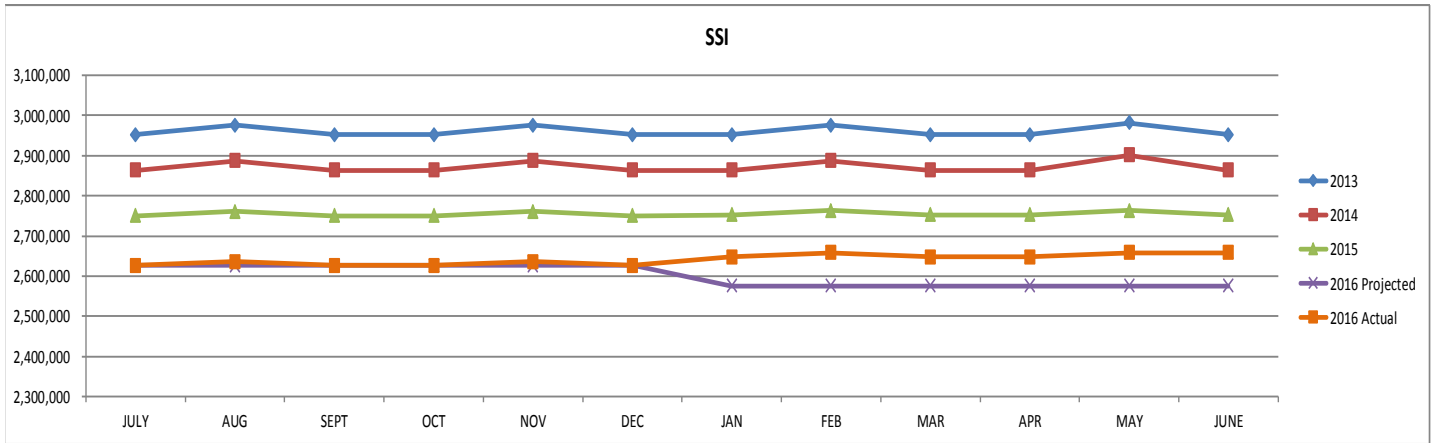
CUMULATIVE UNRESTRICTED REVENUE

	2013			2014			2015			2016 Projected			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	8,659,787	10.0%	10.0%	8,136,303	10.1%	10.1%	7,450,398	10.0%	10.0%	6,700,665	9.3%	9.3%	6,760,998	9.4%	9.4%
AUG	14,891,855	7.2%	17.2%	13,946,550	7.2%	17.2%	12,843,716	7.2%	17.2%	11,895,993	7.2%	16.5%	10,736,725	5.5%	14.9%
SEPT	22,920,806	9.3%	26.5%	21,337,329	9.1%	26.4%	19,558,667	9.0%	26.2%	18,141,825	8.6%	25.1%	17,297,718	9.1%	23.9%
OCT	32,686,919	11.3%	37.7%	29,096,642	9.6%	36.0%	27,521,476	10.7%	36.8%	25,189,641	9.8%	34.9%	24,184,715	9.5%	33.5%
NOV	40,924,407	9.5%	47.2%	36,801,019	9.5%	45.5%	34,463,593	9.3%	46.1%	31,686,267	9.0%	43.9%	31,051,011	9.5%	43.0%
DEC	45,305,919	5.1%	52.3%	42,107,667	6.6%	52.0%	38,358,376	5.2%	51.3%	35,693,371	5.5%	49.4%	35,489,410	6.1%	49.1%
JAN	51,659,359	7.3%	59.6%	48,005,782	7.3%	59.3%	43,850,563	7.3%	58.7%	41,201,831	7.6%	57.0%	41,022,631	7.7%	56.8%
FEB	57,698,606	7.0%	66.6%	53,622,646	6.9%	66.3%	48,956,884	6.8%	65.5%	46,410,071	7.2%	64.2%	47,122,063	8.4%	65.2%
MAR	63,969,647	7.2%	73.8%	59,514,180	7.3%	73.6%	54,311,291	7.2%	72.7%	51,916,794	7.6%	71.9%	52,522,594	7.5%	72.7%
APR	70,223,986	7.2%	81.0%	65,381,094	7.3%	80.8%	59,667,265	7.2%	79.8%	57,365,592	7.5%	79.4%	58,304,063	8.0%	80.7%
MAY	76,774,114	7.6%	88.6%	71,284,032	7.3%	88.1%	65,086,564	7.2%	87.1%	62,982,407	7.8%	87.2%	63,833,374	7.7%	88.3%
JUNE	86,657,062	11.4%	100.0%	80,907,159	11.9%	100.0%	74,751,007	12.9%	100.0%	72,256,492	12.8%	100.0%	69,227,278	7.5%	95.8%
Total															



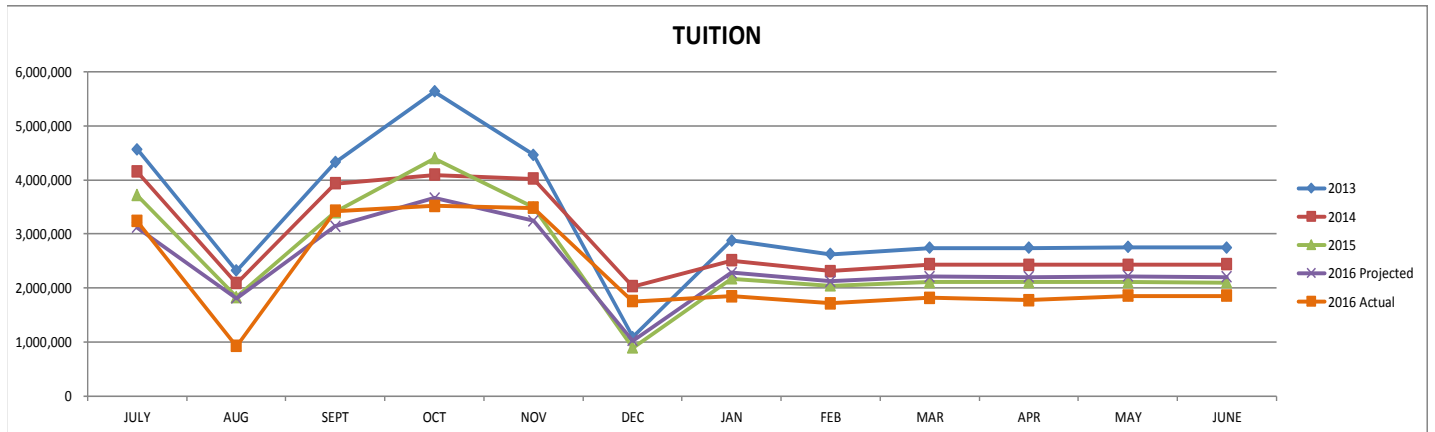
SSI

	2013			2014			2015			2016 Projected			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	2,952,679	8.3%	8.3%	2,864,099	8.3%	8.3%	2,750,725	8.3%	8.3%	2,625,655	8.4%	8.4%	2,625,655	8.4%	8.4%
AUG	2,976,139	8.4%	16.7%	2,887,559	8.4%	16.7%	2,761,018	8.4%	16.7%	2,625,655	8.4%	16.8%	2,635,948	8.4%	16.9%
SEPT	2,952,679	8.3%	25.0%	2,864,099	8.3%	25.0%	2,750,725	8.3%	25.0%	2,625,655	8.4%	25.2%	2,625,655	8.4%	25.3%
OCT	2,952,679	8.3%	33.3%	2,864,099	8.3%	33.3%	2,750,725	8.3%	33.3%	2,625,655	8.4%	33.7%	2,625,655	8.4%	33.7%
NOV	2,976,139	8.4%	41.7%	2,887,559	8.4%	41.7%	2,761,018	8.4%	41.7%	2,625,655	8.4%	42.1%	2,635,948	8.4%	42.1%
DEC	2,952,679	8.3%	50.0%	2,864,099	8.3%	50.0%	2,750,725	8.3%	50.0%	2,625,655	8.4%	50.5%	2,625,655	8.4%	50.5%
JAN	2,952,679	8.3%	58.3%	2,864,098	8.3%	58.3%	2,752,852	8.3%	58.3%	2,575,655	8.3%	58.7%	2,647,575	8.5%	59.0%
FEB	2,976,139	8.4%	66.7%	2,887,559	8.4%	66.7%	2,763,145	8.4%	66.7%	2,575,655	8.3%	67.0%	2,657,868	8.5%	67.5%
MAR	2,952,679	8.3%	75.0%	2,864,099	8.3%	75.0%	2,752,852	8.3%	75.0%	2,575,655	8.3%	75.2%	2,647,575	8.5%	76.0%
APR	2,952,679	8.3%	83.3%	2,864,099	8.3%	83.3%	2,752,852	8.3%	83.3%	2,575,655	8.3%	83.5%	2,647,575	8.5%	84.5%
MAY	2,981,252	8.4%	91.7%	2,901,246	8.4%	91.7%	2,763,146	8.4%	91.7%	2,575,655	8.3%	91.7%	2,657,869	8.5%	93.0%
JUNE	2,952,686	8.3%	100.0%	2,864,102	8.3%	100.0%	2,752,850	8.3%	100.0%	2,575,658	8.3%	100.0%	2,657,869	8.5%	101.5%
Total	35,531,108			34,476,717			33,062,633			31,207,863			31,680,550		101.5%



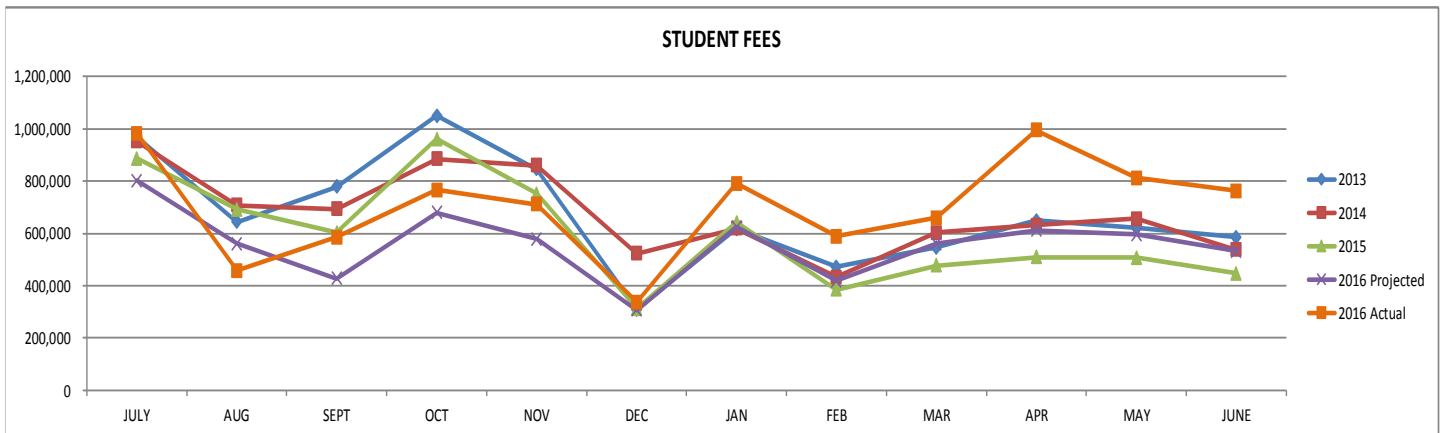
TUITION

	2013			2014			2015			2016 Projected			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	4,561,023	11.7%	11.7%	4,146,436	11.9%	11.9%	3,712,613	12.2%	12.2%	3,116,032	10.7%	10.7%	3,236,036	11.1%	11.1%
AUG	2,322,232	6.0%	17.7%	2,090,328	6.0%	17.9%	1,830,401	6.0%	18.3%	1,810,264	6.2%	16.8%	922,401	3.2%	14.2%
SEPT	4,322,634	11.1%	28.8%	3,931,824	11.3%	29.2%	3,401,541	11.2%	29.5%	3,142,078	10.7%	27.6%	3,424,284	11.7%	25.9%
OCT	5,628,748	14.5%	43.3%	4,089,455	11.7%	40.9%	4,393,589	14.5%	43.9%	3,666,689	12.5%	40.1%	3,521,212	12.0%	38.0%
NOV	4,458,935	11.5%	54.8%	4,020,387	11.5%	52.4%	3,492,085	11.5%	55.4%	3,245,492	11.1%	51.2%	3,480,387	11.9%	49.9%
DEC	1,089,911	2.8%	57.6%	2,028,960	5.8%	58.3%	893,490	2.9%	58.4%	1,027,332	3.5%	54.7%	1,755,883	6.0%	55.9%
JAN	2,876,089	7.4%	65.0%	2,509,594	7.2%	65.5%	2,177,476	7.2%	65.5%	2,284,009	7.8%	62.6%	1,847,958	6.3%	62.2%
FEB	2,622,000	6.7%	71.7%	2,313,579	6.6%	72.1%	2,041,030	6.7%	72.3%	2,119,773	7.2%	69.8%	1,713,546	5.9%	68.1%
MAR	2,743,600	7.1%	78.8%	2,432,031	7.0%	79.1%	2,105,726	6.9%	79.2%	2,206,854	7.5%	77.4%	1,819,940	6.2%	74.3%
APR	2,744,002	7.1%	85.8%	2,425,452	7.0%	86.0%	2,106,201	6.9%	86.1%	2,202,719	7.5%	84.9%	1,775,591	5.7%	80.4%
MAY	2,755,153	7.1%	92.9%	2,429,603	7.0%	93.0%	2,110,062	6.9%	93.1%	2,215,188	7.6%	92.5%	1,852,543	5.9%	86.7%
JUNE	2,748,205	7.1%	100.0%	2,432,093	7.0%	100.0%	2,099,452	6.9%	100.0%	2,201,876	7.5%	100.0%	1,852,543	5.9%	93.0%
Total	38,872,532			34,849,740			30,363,665			29,238,306			27,154,218		



STUDENT FEES

	2013			2014			2015			2016 Projected			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	970,044	12.0%	12.0%	950,846	11.7%	11.7%	886,515	12.4%	12.4%	801,792	12.0%	12.0%	981,051	14.7%	14.7%
AUG	643,245	8.0%	20.0%	707,341	8.7%	20.5%	691,575	9.6%	22.0%	561,042	8.4%	20.4%	458,098	6.8%	21.5%
SEPT	778,182	9.6%	29.6%	692,825	8.6%	29.0%	602,466	8.4%	30.4%	427,000	6.4%	26.7%	584,613	8.7%	30.2%
OCT	1,049,553	13.0%	42.6%	884,619	10.9%	40.0%	960,020	13.4%	43.8%	678,171	10.1%	36.9%	765,690	11.4%	41.7%
NOV	846,110	10.5%	53.0%	859,387	10.6%	50.6%	751,649	10.5%	54.3%	578,575	8.6%	45.5%	711,634	10.6%	52.3%
DEC	308,464	3.8%	56.8%	522,371	6.5%	57.0%	312,949	4.4%	58.6%	306,631	4.6%	50.1%	336,641	5.0%	57.3%
JAN	617,669	7.6%	64.5%	618,002	7.6%	64.7%	641,091	8.9%	67.6%	623,562	9.3%	59.4%	790,435	11.8%	69.1%
FEB	471,207	5.8%	70.3%	433,180	5.4%	70.0%	385,091	5.4%	73.0%	419,058	6.3%	65.7%	587,934	8.8%	77.9%
MAR	545,726	6.8%	77.1%	603,025	7.4%	77.5%	477,351	6.7%	79.6%	560,888	8.4%	74.0%	658,977	9.8%	87.8%
APR	648,380	8.0%	85.1%	631,660	7.8%	85.3%	508,375	7.1%	86.7%	610,693	9.1%	83.2%	994,407	14.9%	102.6%
MAY	621,640	7.7%	92.8%	655,778	8.1%	93.4%	506,486	7.1%	93.8%	594,853	8.9%	92.1%	812,536	12.1%	114.8%
JUNE	584,447	7.2%	100.0%	536,709	6.6%	100.0%	447,465	6.2%	100.0%	531,888	7.9%	100.0%	762,370	11.4%	126.1%
Total	8,084,665			8,095,743			7,171,034			6,694,153			8,444,387		



Expenses

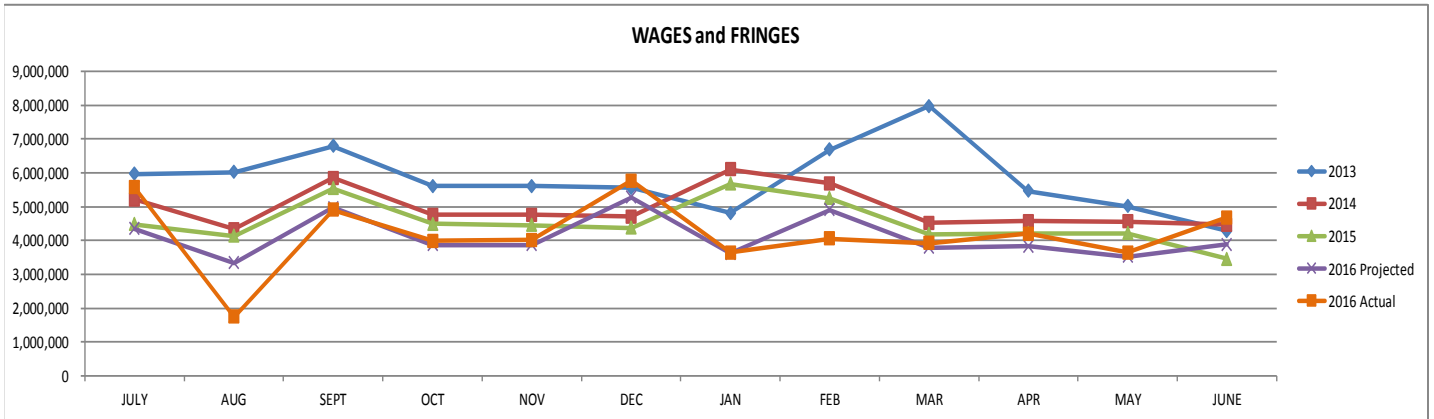
Preliminary Unrestricted Fund expenditures continue well below budget through June; however, June expenditures increased significantly. June expenditure projections increased from \$63,698,024 in May to \$65,191,479 through June. Of the approximate \$1.2 million increase, half of the increase is attributable to salaries and benefits and the other half due to higher than budgeted Apprenticeship payments, due to an increased number of students.

Preliminary June expenditures are at 98.45% of budget; however we do anticipate additional FY16 expenditures as we process Accounts Payable for FY16 invoices. Through May, expenditures were 82.78% of budget.

Wages and benefits, the largest share of overall expenditures are projected to be below budget for the fiscal year. The chart below provides a comparison of wage and benefit costs as compared to prior years and budget.

WAGES and FRINGES

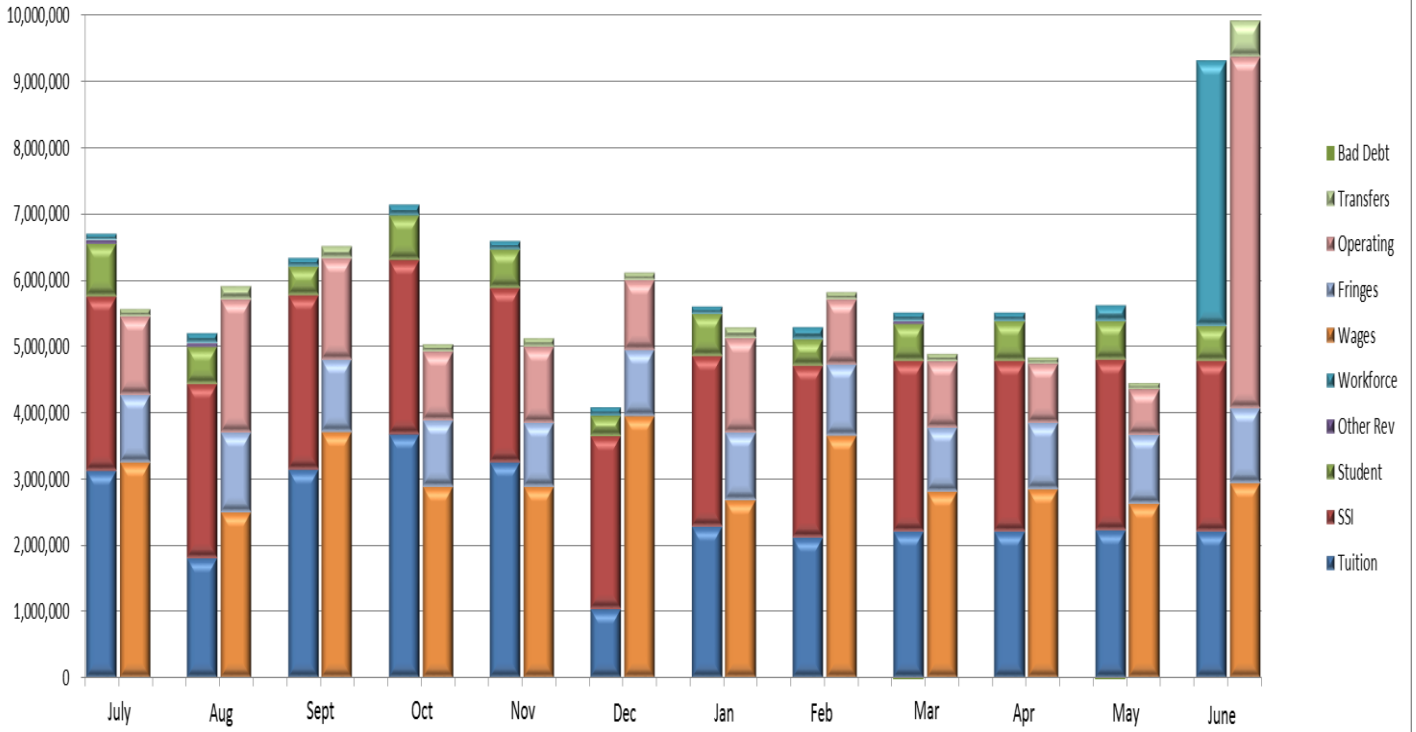
	2013			2014			2015			2016 Projected			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	5,970,643	8.6%	8.6%	5,216,838	8.8%	8.8%	4,474,197	8.2%	8.2%	4,344,041	8.8%	8.8%	5,563,618	11.3%	11.3%
AUG	6,026,398	8.6%	17.2%	4,330,478	7.3%	16.0%	4,128,904	7.6%	15.8%	3,336,100	6.8%	15.6%	1,750,027	3.6%	14.9%
SEPT	6,788,463	9.7%	26.9%	5,854,451	9.8%	25.9%	5,549,223	10.2%	26.0%	4,966,652	10.1%	25.7%	4,904,600	10.0%	24.8%
OCT	5,606,539	8.0%	34.9%	4,762,664	8.0%	33.9%	4,495,977	8.3%	34.2%	3,874,424	7.9%	33.6%	3,988,429	8.1%	32.9%
NOV	5,613,958	8.0%	43.0%	4,758,124	8.0%	41.9%	4,458,394	8.2%	42.4%	3,866,439	7.9%	41.4%	4,014,234	8.2%	41.1%
DEC	5,557,690	8.0%	51.0%	4,704,949	7.9%	49.8%	4,370,168	8.0%	50.4%	5,275,303	10.7%	52.2%	5,773,404	11.7%	52.8%
JAN	4,814,614	6.9%	57.9%	6,106,997	10.3%	60.0%	5,676,234	10.4%	60.9%	3,611,946	7.3%	59.5%	3,647,911	7.4%	60.2%
FEB	6,686,530	9.6%	67.4%	5,683,579	9.5%	69.6%	5,250,872	9.6%	70.5%	4,900,345	10.0%	69.5%	4,055,283	8.2%	68.5%
MAR	7,969,275	11.4%	78.9%	4,526,904	7.6%	77.2%	4,189,709	7.7%	78.2%	3,785,800	7.7%	77.1%	3,928,108	8.0%	76.5%
APR	5,466,187	7.8%	86.7%	4,579,774	7.7%	84.8%	4,214,068	7.7%	85.9%	3,832,468	7.8%	84.9%	4,196,592	8.5%	85.0%
MAY	5,013,970	7.2%	93.9%	4,556,221	7.7%	92.5%	4,212,521	7.7%	93.7%	3,527,398	7.2%	92.1%	3,649,148	7.4%	92.4%
JUNE	4,277,193	6.1%	100.0%	4,468,553	7.5%	100.0%	3,451,439	6.3%	100.0%	3,885,145	7.9%	100.0%	4,683,902	9.5%	101.9%
Total	69,791,460			59,549,532			54,471,705			49,206,061			50,155,255		



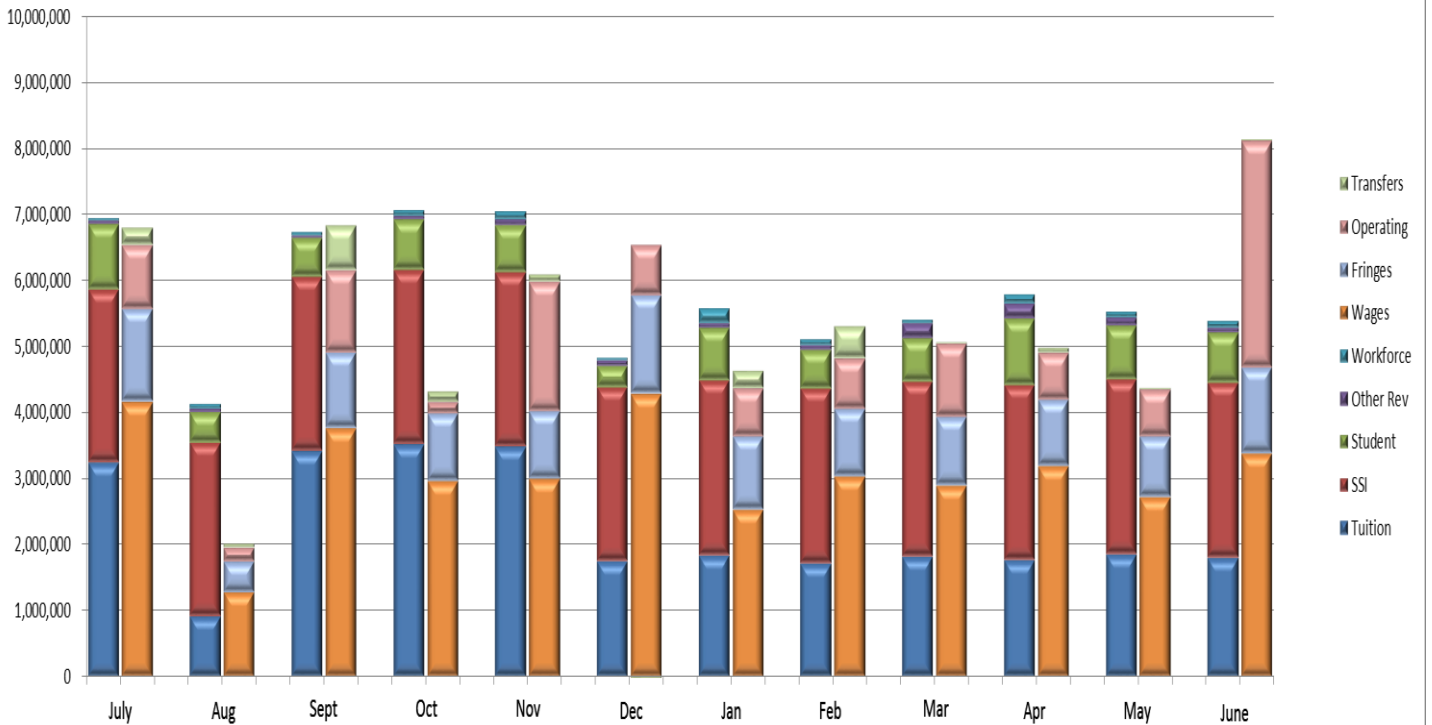
Expenses and Transfers

	2013			2014			2015			2016 Budget			2016 Actual		
	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %	Amount	Monthly %	YTD %
JULY	7,422,011	8.0%	8.0%	6,618,637	8.0%	8.0%	5,235,219	6.9%	6.9%	5,570,555	8.0%	8.0%	6,789,549	9.8%	9.8%
AUG	7,143,951	7.7%	15.7%	5,641,889	6.9%	14.9%	4,799,608	6.3%	13.2%	5,909,986	8.5%	16.5%	2,018,732	2.9%	12.7%
SEPT	9,251,683	9.9%	25.6%	7,527,002	9.1%	24.0%	7,932,784	10.4%	23.6%	6,503,761	9.4%	25.9%	6,820,824	9.8%	22.5%
OCT	7,225,920	7.8%	33.4%	6,514,989	7.9%	31.9%	5,709,788	7.5%	31.1%	5,036,202	7.3%	33.2%	4,315,447	6.2%	28.7%
NOV	6,703,041	7.2%	40.6%	5,657,945	6.9%	38.8%	5,768,305	7.6%	38.7%	5,130,905	7.4%	40.5%	6,089,243	8.8%	37.5%
DEC	6,742,743	7.2%	47.8%	5,803,293	7.0%	45.9%	5,316,903	7.0%	45.7%	6,108,865	8.8%	49.3%	6,459,667	9.3%	46.8%
JAN	6,927,733	7.4%	55.3%	7,420,840	9.0%	54.9%	6,481,091	8.5%	54.2%	5,280,615	7.6%	56.9%	4,629,815	6.7%	53.5%
FEB	7,925,825	8.5%	63.8%	7,528,904	9.1%	64.0%	7,573,443	10.0%	64.2%	5,812,907	8.4%	65.3%	5,302,411	7.6%	61.1%
MAR	9,879,979	10.6%	74.4%	6,392,309	7.8%	71.8%	5,797,984	7.6%	71.8%	4,884,289	7.0%	72.4%	5,050,164	7.3%	68.4%
APR	6,461,155	6.9%	81.4%	5,820,995	7.1%	78.8%	5,352,984	7.0%	78.8%	4,841,123	7.0%	79.3%	4,973,165	7.2%	75.5%
MAY	5,745,724	6.2%	87.5%	5,448,345	6.6%	85.4%	5,353,294	7.0%	85.9%	4,447,975	6.4%	85.7%	4,367,382	6.3%	81.8%
JUNE	11,594,302	12.5%	100.0%	11,984,470	14.6%	100.0%	10,734,258	14.1%	100.0%	9,905,609	14.3%	100.0%	8,118,777	11.7%	93.5%
Total	93,024,066			82,359,616			76,055,658			69,432,794			64,935,177		

2016 Budget



2016 Actual



Preliminary June 30, 2016 Statement of Net Position

These are preliminary statements and they will change significantly prior to finalizing the audited financial statements. The Controller is working to reconcile balance sheet accounts which may have unforeseen or unexpected impact on the financial statements. The Statement of Net Position does not include the impact of GASB 68. It is a better measure of current financial position without the pension liability transactions. In addition, it allows us to calculate the SB 6 score to compare with historical scores and for use in Fiscal Watch.

The Cash position for June has decreased due to the timing of the Apprenticeship payments. This has dropped the cash position by \$2.0 million but will be increased as tuition payments are made to Owens as an offset to the instructional costs of the contracts.

It should be noted that the Unrestricted Net Assets is in much better position than at June 30th FY15. This is the figure that is used as the Expendable Net Assets in the SB 6 calculation. The June Unrestricted Net Assets has decreased significantly from the May figure. Unrestricted Net Assets decreased from \$4.9 million in May down to \$2.1 million through June due to the \$2,078,961 of Apprenticeship payments with no corresponding revenue. This amount will be adjusted with a receivable on the balance sheet. The Unrestricted Net Asset figure in the Statement of Net Assets is significantly higher than the figure used in the projected SB 6 calculation. The more conservative figure is used for the SB 6 projection calculation.

The Prepaid Expenses and Deferred Charges are associated with the timing of Summer Term pay for faculty. Faculty pay for Summer Term paid in May and June are pre-paid expenses and then adjusted as an expense for the next fiscal year. **There will be an increase in this account at year-end with an offsetting decrease to payroll expenditures.**

We do expect to see a \$2.2 million increase in A/P at year-end due to the Apprenticeship agreements. In addition, Accounts Payable will continue to change as we continue to back date invoices that need to go into FY16. The AP will continue to increase.

The Deferred Revenue and the Accounts Receivable are impacted from the timing of the student billings for Summer and Fall terms. Billings went out much earlier this year and is reflected in the Deferred Revenue account.

We have reviewed those items in the Statement of Net Positions that will impact fiscal year-end and feel comfortable with our current position, knowing what to expect from adjusting entries at year-end. We will have adjusting entries for Prepaid expenses; Salaries, wages, and fringe benefits payable; and Benefits payable. As mentioned above, the prepaid expenses will be impacted by Summer Term pay for faculty disbursed in May and June, but not expensed until next fiscal year.

Salaries, wages and fringe benefits payable is determined by how many days of the first pay and second pay of FY17 fell during FY16. Those days that occurred in FY16, but not paid until FY17 will be included in wages payable. The number of days usually only change by one or two days from the prior year. **The payroll attributed to FY16 are reflected in the year-end projected payroll expenditures.**

Benefits payable – accrued sick time is the amount due to employees who are eligible or may become eligible, within a reasonable timeframe, for sick leave payout at retirement. The change in this account will be determined by how many long-term employees leave or retire compared to the number overall employees that would be included in eligible for benefits payable. **We expect an adjusting entry to have minimal impact on year-end financial statements.**

With the payment of principle on outstanding debt, the long-term liability has been reduced from \$2,207,225 to \$1,230,709. This reduction now also properly accounts for IT equipment leases. The short-term portion is increased to reflect payments within the next 12 months. As the amount of the payment that gets applied to the principle, it increases the short-term portion of the outstanding debt. This reduction in long-term debt will assist in improving the SB 6 score.

Also of note is that the Deferred Revenue account that is significantly higher than FY15 at this time. The increase is due to the timing of the billing for Summer and Fall terms. We have started billing students registered for the semesters, while last year at this time those bills had not been calculated due to the tiered-tuition discussion.

Reserve Requirements

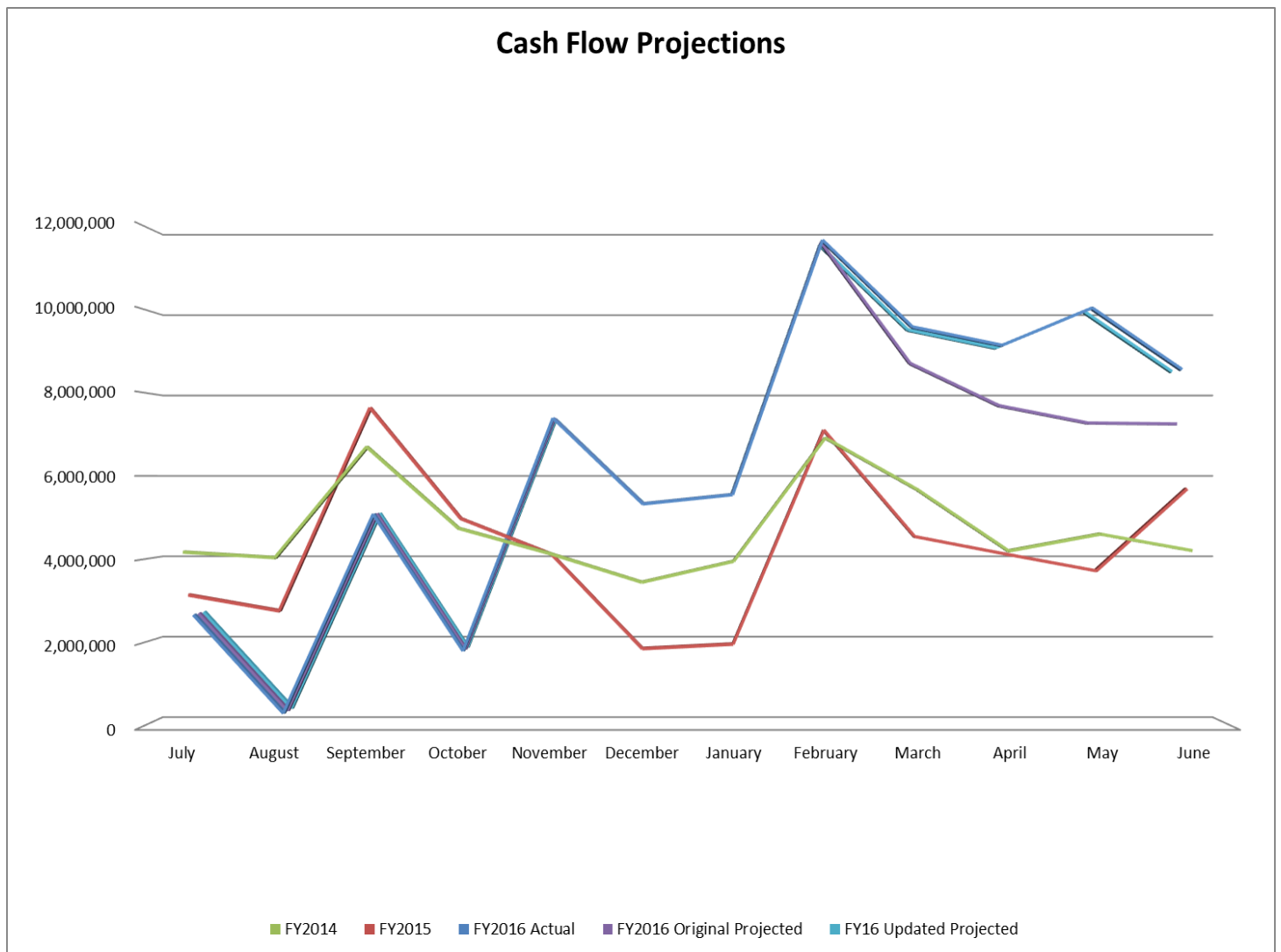
The current cash position reflects significant improvement to the Board reserve requirements outlined under the original version of the Financial Standards Policy. **In addition, the Board approved a cash transfer at the May Trustee meeting to transfer cash between General and Plant funds. This has increased the Plant cash position to eliminate the prior negative balance, but reduced the General fund below the revised Financial Standards Reserve Policy.** The chart below is much more reflective of cash position for the Reserve requirement than the previous cash allocation.

	General	Aux	Grants	Agency	Loans	Plant	Bank	Found	Totals
Total Cash by Fund Group June 30, 2016	5,798,646	1,070,868	(264,418)	284,839	105,540	133,795	30,654	(7,151)	7,152,773
Financial Standards Policy Requirements	11,408,349	1,344,959				3,559,375			16,312,682

As mentioned above, the Board took action to increase the Financial Standards Policy reserve requirement to 15% of the Unrestricted fund, and creating a Claims Reserve to protect against unforeseen liability claims. The Financial Standards Policy Requirements listed above reflect the revised reserve standards.

The charts below reflect cash and investment information through June. This is based on bank cash position, which will be different than our financial statement cash position due to timing of paying bills and outstanding checks.

The chart below provides the cash flow projections through June and compares against early projections. The ending cash balance for June is \$8.5 million and as compared to last month projection of \$9.4 million.



The Finance team started meeting to review the bank reconciliation and discuss investments. We will meet and review these critical functions on a monthly basis. We will provide the summary of the bank reconciliation and investment report to the Finance Committee each month.

**Investments for Owens Community College
June 30, 2016**

	Balance	Rate	Maturity Date
General Operating Account	\$ 6,271,859.75	0.20%	EIC
Investment Checking Account	\$ 1,906,353.46	0.15%	
Certificates of Deposit	\$ 500,312.64	0.70%	7/13/2016
	\$ 249,982.50	0.40%	8/11/2016
	\$ 249,980.00	0.40%	8/18/2016
	\$ 249,955.00	0.40%	9/19/2014
	\$ 249,955.00	0.40%	9/19/2014
	\$ 250,065.00	0.45%	11/4/2016
	\$ 250,054.50	0.45%	11/4/2016
	\$ 250,060.00	0.50%	11/7/2016
	\$ 250,060.00	0.45%	11/7/2016
	\$ 250,062.50	0.45%	11/16/2016
Star Ohio:	\$ 32,904.68	0.40%	
TOTAL FUNDS:	\$ 10,961,605.03		
FY15	\$ 6,894,664.20		

SB 6 Ratios

Based upon the June projections, the projected SB 6 score continues at 2.00. The chart below provides a comparison of the original SB 6 projections, as contained in the original Financial Recovery Plan, as compared to updated projections using current information. Based on the current financial situation, and using the approved FY17 budget, revised FY17 SB 6 ratios reflect a score of 3.30. This would be above the required 2.40 score to come out of Fiscal Watch.

The primary drawback in the SB 6 score is the Primary Reserve ratio. This carries a 50% weight and given the current reserve level, provides a score of 1. This ratio needs to be improved and can only be increased by controlling costs now and in the future. As can be seen in the highlighted FY2018 Projected Budget row, based on the future assumptions for continued enrollment declines, by not reducing expenditures, the SB 6 score drops again in FY18.

Preliminary Projected Senate Bill 6 Ratios														
	A	B	C		D	E	F	Primary Reserve 50%		Viability 30%		Net Income 20%		Composite Score
NEW GASB 34/35 Format	Expendable Net Assets	Plant Debt	Revenues, Operating + Nonoperating		Operating Expenses	Nonoperating Expenses	Change in Total Net Assets	Ratio	Score	Ratio	Score	Ratio	Score	
			Net of negative revenues (expenses)	State Capital Appropriations		(Asset Disposal)	= C - (D + E)	= A / D		= A / B		= F / C		
FY2015 Projected	\$ 811,337	\$ 4,406,622	\$ 83,597,510	\$ 4,150,000	\$ 87,306,027	\$ -	\$ 441,483	0.009	1	0.184	1	0.005	2	1.20
FY2015 Actual	\$ (494,559)	\$ 3,207,962	\$ 85,403,290	\$ 4,053,966	\$ 90,745,143	\$ -	\$ (1,287,887)	(0.005)	1	(0.154)	0	(0.014)	1	0.70
FY2016 Initial Projected	\$ 2,625,616	\$ 3,262,062	\$ 76,948,423	\$ 3,300,000	\$ 78,434,143	\$ -	\$ 1,814,280	0.033	1	0.805	3	0.023	3	2.00
FY2016 YTD Projected	\$ 1,511,998	\$ 2,207,225	\$ 76,990,263	\$ 3,465,697	\$ 78,449,403	\$ -	\$ 2,006,557	0.019	1	0.685	3	0.025	3	2.00
FY2017 Initial Projected	\$ 5,527,756	\$ 2,079,502	\$ 74,462,466	\$ 2,000,000	\$ 73,560,326	\$ -	\$ 2,902,140	0.075	2	2.658	5	0.038	4	3.30
FY2017 Budgeted	\$ 3,912,270	\$ 1,194,806	\$ 73,444,877	\$ 4,000,000	\$ 75,044,606	\$ -	\$ 2,400,272	0.052	2	3.274	5	0.031	4	3.30
FY2018 Initial Projected	\$ 5,359,542	\$ 896,942	\$ 71,560,441	\$ 1,000,000	\$ 72,728,655	\$ -	\$ (168,214)	0.074	2	5.975	5	(0.002)	1	2.70
FY2018 Projected Budget	\$ 3,861,074	\$ 310,000	\$ 71,124,076	\$ 4,000,000	\$ 75,175,273	\$ -	\$ (51,196)	0.051	2	12.455	5	(0.001)	1	2.70

Enrollment

I would also like to update information on enrollment. The most critical data we review as part of the budget reports is the enrollment information. Below is current enrollment information for FY17. As discussed in the FY17 budget narrative, we used end of term enrollment for revenue projections. This will eliminate the impact of refunds for student drops and withdrawals.

As can be seen in the charts below, Summer term is doing very well compared to budget. Enrollment figures below reflect current headcount after the drop date. Tuition and fees are well ahead of budgeted revenues for summer.

Fall enrollment is not doing as well as Summer to this point, but is exceeding budgeted projections. As discussed above, we used an end of term figure for revenue estimates and current enrollment and revenue projections are ahead of budget.

Summer FY17

TERM: 201630 - Summer 2016

Daily Student Type Summary and Comparison Report Prepared on 07/15/16

The 14th day is 06/24/16

Total Headcount		Yearly Change			14th Day Summer 2015	End of Term Summer 2015	14th Day Target			Daily Change	
							#	# to	% to	#	%
	7/14/2016	7/15/2015	#	%	6/25/2015	8/5/2015	#	# to	% to	#	%
NEW	265	260	5	1.90%	278	262	272	-7	97%	-1	-0.40%
<i>DHS</i>	52	42	10	23.80%	45	43	43	9	121%	-1	-1.90%
<i>NTRAD</i>	83	75	8	10.70%	84	75	81	2	102%	0	0%
<i>Transfer</i>	130	143	-13	-9.10%	149	144	148	-18	88%	0	0%
Continuing	1937	2253	-316	-14%	2300	2256	1941	-4	100%	2	0.10%
Returning	347	339	8	2.40%	367	340	355	-8	98%	3	0.90%
Transient	821	741	80	10.80%	767	743	753	68	109%	0	0%
Guest	200	254	-54	-21.30%	283	257	240	-40	83%	0	0%
CC+	72	1	71	7100%	1	1	5	67	1440%	0	0%
Non-Matric	14	218	-204	-93.60%	178	306	151	-137	9%	0	0%
Totals	3656	4066	-410	-10.10%	4174	4165	3717	-61	98%	4	0.10%

OWENS COMMUNITY COLLEGE

Actual FTE vs. Budgeted FTE

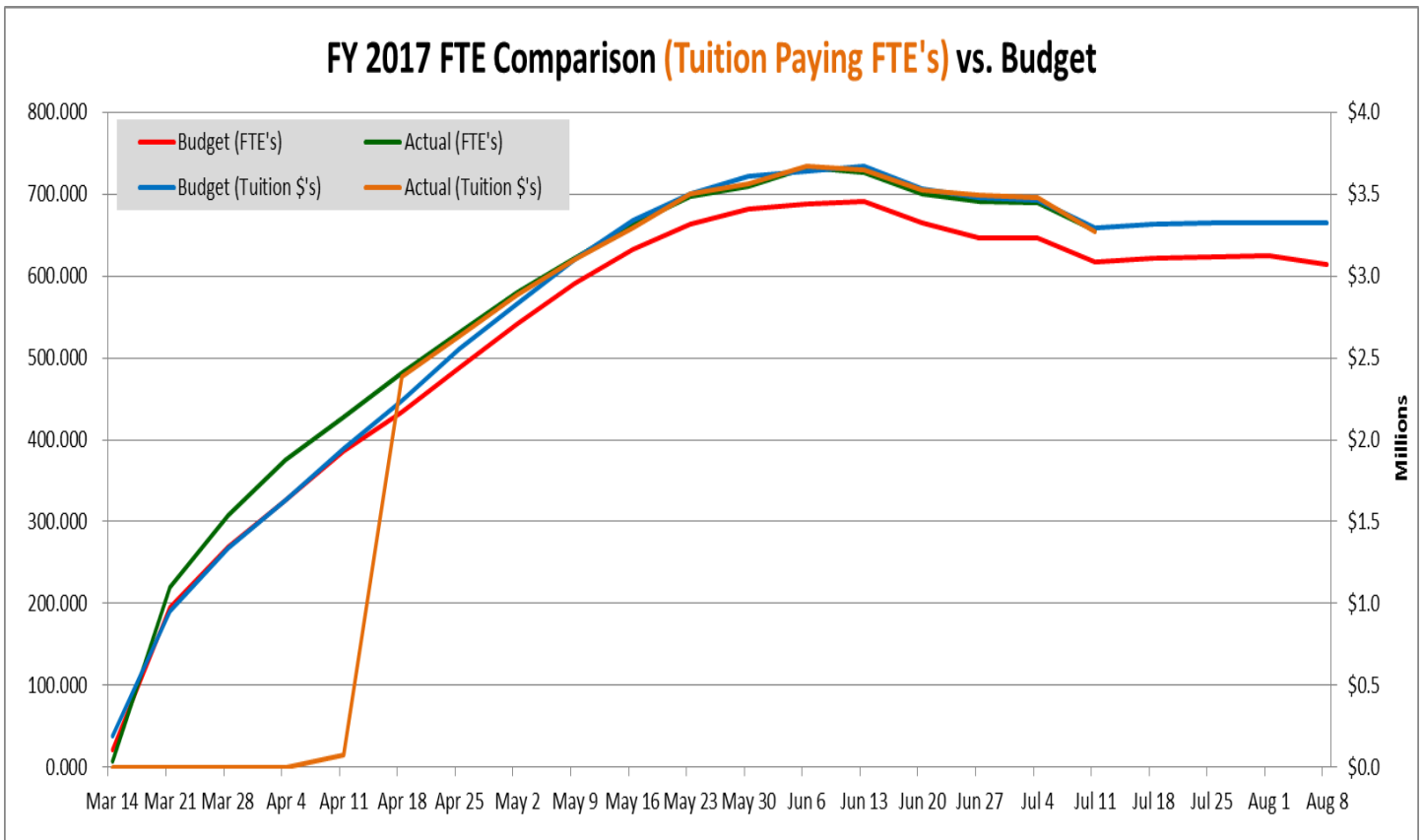
Summer Semester (201630)

7/14/2016

	Actual (Day)				Budget (Day)				Actual vs. Budget (Day)				
	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Combined
7/11/2016	1.670	0.000	0.00	0.000	1.123	0.000	0.000	0.000	0.547	0.000	0.000	0.000	0.547
7/12/2016	1.230	0.000	0.00	0.000	0.533	0.000	0.402	0.000	0.697	0.000	(0.402)	0.000	0.296
7/13/2016	0.660	0.000	0.00	0.000	0.258	0.000	0.000	0.000	0.402	0.000	0.000	0.000	0.402
7/14/2016	0.540	0.000	0.00	0.000	1.283	0.000	0.000	0.000	(0.743)	0.000	0.000	0.000	(0.743)
7/15/2016	-----	-----	-----	-----	0.000	0.000	0.000	0.000	-----	-----	-----	-----	-----
7/16/2016	-----	-----	-----	-----	0.795	0.000	0.000	0.000	-----	-----	-----	-----	-----
7/17/2016	-----	-----	-----	-----	0.521	0.000	0.000	0.000	-----	-----	-----	-----	-----

	Actual (YTD)				Budget (YTD)				Actual vs. Budget (YTD)				
	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Combined
7/11/2016	655.650	8.230	0.00	0.000	617.199	0.670	33.055	0.000	38.451	7.560	(33.055)	0.000	12.956
7/12/2016	656.880	8.230	0.00	0.000	617.732	0.670	33.456	0.000	39.148	7.560	(33.456)	0.000	13.252
7/13/2016	657.540	8.230	0.00	0.000	617.990	0.670	33.456	0.000	39.550	7.560	(33.456)	0.000	13.654
7/14/2016	658.080	8.230	0.00	0.000	619.273	0.670	33.456	0.000	38.807	7.560	(33.456)	0.000	12.911
7/15/2016	-----	-----	-----	-----	619.273	0.670	33.456	0.000	6.3%	1,128.6%	-----	-----	2.0%
7/16/2016	-----	-----	-----	-----	620.068	0.670	33.456	0.000	-----	-----	-----	-----	-----
7/17/2016	-----	-----	-----	-----	620.589	0.670	33.456	0.000	-----	-----	-----	-----	-----

Opening Day	6/13/2016	690.296	0.712	30.933	0.000
14th Day	6/24/2016	656.400	0.700	40.600	0.000
Drop Day	7/5/2016	613.329	0.670	33.055	0.000
End of Term		613.600	0.767	48.733	0.000



OWENS COMMUNITY COLLEGE
Actual Revenue vs. Budgeted Revenue
 Summer Semester (201630)
 7/14/2016

Acct	Acct Title	7/14/2016				Year To Date			
		Actual	Budget	Difference		Actual	Budget	Difference	
26103	Deferred Instruction Fees	\$2,200.00	-----	-----	-----	\$3,024,318.93	-----	-----	-----
26173	Deferred General Fees	248.00	-----	-----	-----	339,166.82	-----	-----	-----
		\$2,448.00	\$0.00	\$2,448.00	-----	\$3,363,485.75	\$3,309,033.04	\$54,452.71	1.6%
	Less: CCP Activity ***	0.00	0.00	0.00	-----	(10,424.80)	0.00	(10,424.80)	-----
	Total Tuition - w/o CCP	\$2,448.00	\$0.00	\$2,448.00	-----	\$3,353,060.95	\$3,309,033.04	\$44,027.91	1.3%
	CCP Tuition **	0.00	\$0.00	0.00	-----	0.00	\$954.53	(954.53)	(100.0%)
	Total Tuition - with CCP	\$2,448.00	\$0.00	\$2,448.00	-----	\$3,353,060.95	\$3,309,987.57	\$43,073.38	1.3%
26113	Deferred Academic Tech Fee	\$42.00	\$48.43	(\$6.43)	(13.3%)	\$93,139.80	\$92,731.23	\$408.57	0.4%
26133	Deferred Student Engagement Fee	24.00	27.66	(3.66)	(13.2%)	53,245.60	52,922.10	323.50	0.6%
26153	Deferred Administrative Tech Fee	90.00	103.61	(13.61)	(13.1%)	199,671.00	198,458.41	1,212.59	0.6%
26163	Deferred Computer Usage Fee	24.00	27.66	(3.66)	(13.2%)	53,277.60	52,922.10	355.50	0.7%
		\$180.00	\$207.36	(\$27.36)	(13.2%)	\$399,334.00	\$397,033.84	\$2,300.16	0.6%
	Total Tuition + Student Fees	\$2,628.00	\$207.36	\$2,420.64	1,167.4%	\$3,752,394.95	\$3,707,021.41	\$45,373.54	1.2%
26183	Deferred Lab Fees	(\$40.00)	\$16.77	(\$56.77)	(338.5%)	\$103,936.50	\$71,203.97	-----	-----
26191	Deferred Lab - E-Learning	0.00	83.92	(83.92)	(100.0%)	251,807.60	196,417.26	-----	-----
26194	Deferred Lab - Course Material	31.00	34.95	(3.95)	(11.3%)	84,104.90	80,269.98	-----	-----
	Less: CCP Activity ***	0.00	0.00	-----	-----	(4,776.80)	0.00	-----	-----
	Total Lab Fees	(\$9.00)	\$135.64	(\$144.64)	(106.6%)	\$435,072.20	\$347,891.21	\$87,180.99	25.1%
		\$2,619.00	\$343.00	\$2,276.00	663.6%	\$4,187,467.15	\$4,054,912.62	\$132,554.53	3.3%

Fall FY17

TERM: 201660 - Fall 2016

Daily Student Type Summary and Comparison Report Prepared on 07/15/16

The 14th day is 09/05/16

There are 38 days to the start of the term on 08/22/16

Total Headcount	Yearly Change				14th Day	End of Term	14th Day Target			Daily Change	
	7/14/2016	7/16/2015	#	%	Fall 2015	Fall 2015	#	# to	% to	#	%
NEW	807	854	-47	-5.50%	1921	1766	1785	-978	45%	44	5.50%
DHS	433	505	-72	-14.30%	817	766	768	-335	56%	21	4.80%
NTRAD	193	189	4	2.10%	598	516	526	-333	37%	16	8.30%
Transfer	181	160	21	13.10%	506	484	491	-310	37%	7	3.90%
Continuing	3691	4316	-625	-14.50%	5620	5539	4587	-896	80%	24	0.70%
Returning	368	367	1	0.30%	828	756	753	-385	49%	15	4.10%
Transient	117	97	20	20.60%	192	177	195	-78	60%	8	6.80%
Guest	56	54	2	3.70%	138	122	115	-59	49%	1	1.80%
CC+	394	264	130	49.20%	593	1100	1000	-606	39%	4	1%
Non-Matric	25	26	-1	-3.80%	47	2034	1352	-1327	2%	2	8%
Totals	5458	5978	-520	-8.70%	9339	11494	9787	-4329	56%	98	1.80%

OWENS COMMUNITY COLLEGE

Actual FTE vs. Budgeted FTE

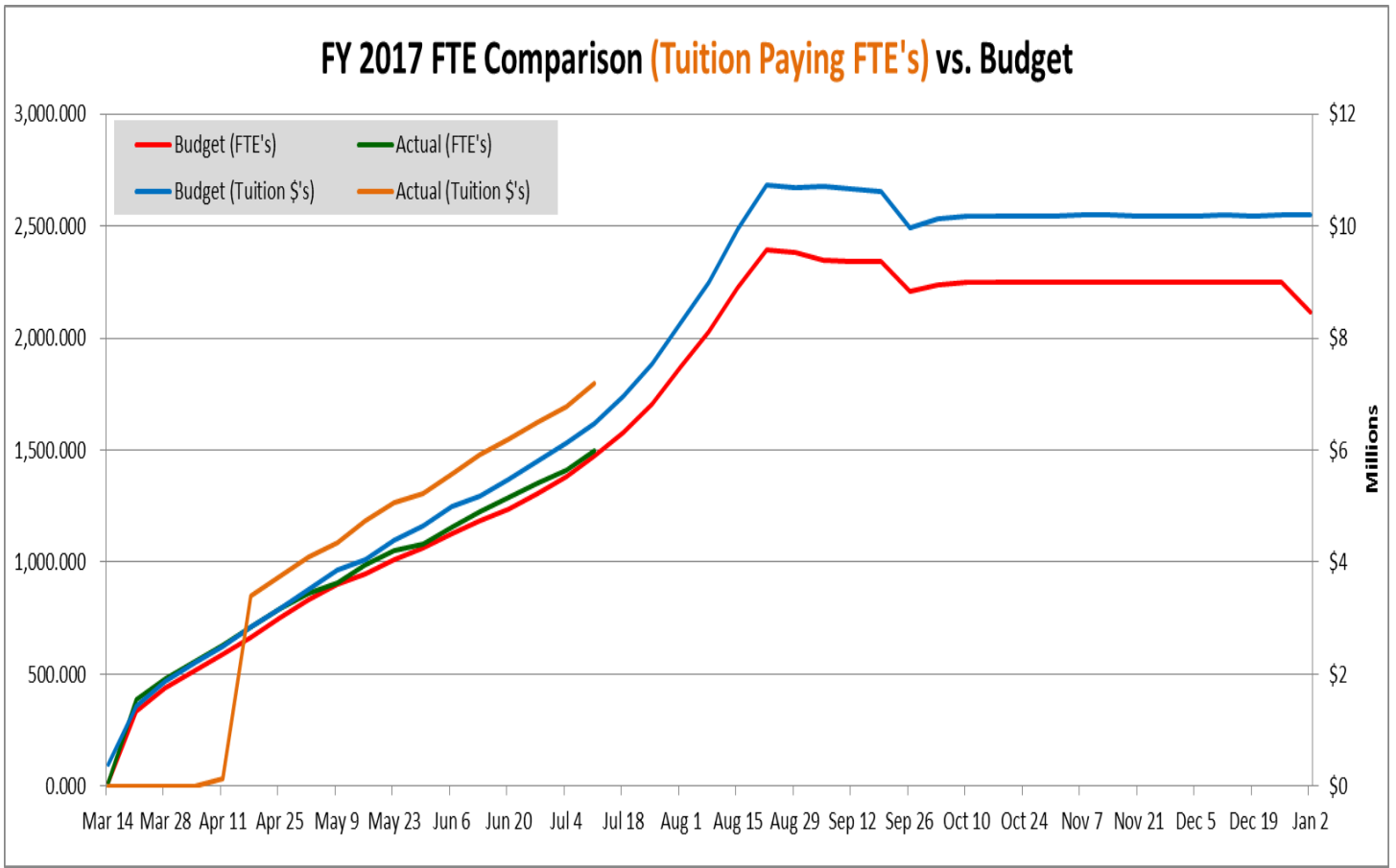
Fall Semester (201660)

7/14/2016

	Actual (Day)				Budget (Day)				Actual vs. Budget (Day)				
	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Combined
7/11/2016	28.860	0.670	0.00	0.000	24.725	0.380	0.000	0.000	4.135	0.290	0.000	0.000	4.424
7/12/2016	21.070	11.630	0.00	0.000	16.422	(0.018)	0.000	0.000	4.648	11.648	0.000	0.000	16.296
7/13/2016	21.440	0.000	0.00	0.000	21.263	0.458	3.564	0.000	0.177	(0.458)	(3.564)	0.000	(3.845)
7/14/2016	31.430	0.840	0.00	0.000	18.777	0.910	2.842	0.000	12.653	(0.070)	(2.842)	0.000	9.741
7/15/2016	-----	-----	-----	-----	15.449	0.535	1.782	0.000	-----	-----	-----	-----	-----
7/16/2016	-----	-----	-----	-----	4.242	0.000	0.000	0.000	-----	-----	-----	-----	-----
7/17/2016	-----	-----	-----	-----	6.602	0.196	0.000	0.000	-----	-----	-----	-----	-----

	Actual (YTD)				Budget (YTD)				Actual vs. Budget (YTD)				
	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Regular	CC+	Union	Academy	Combined
7/11/2016	1,498.020	58.070	0.00	0.000	1,471.577	65.074	14.381	0.000	26.443	(7.004)	(14.381)	0.000	5.058
7/12/2016	1,519.090	69.700	0.00	0.000	1,487.999	65.057	14.381	0.000	31.091	4.643	(14.381)	0.000	21.354
7/13/2016	1,540.530	69.700	0.00	0.000	1,509.262	65.514	17.944	0.000	31.268	4.186	(17.944)	0.000	17.509
7/14/2016	1,571.960	70.540	0.00	0.000	1,528.039	66.424	20.787	0.000	43.921	4.116	(20.787)	0.000	27.250
7/15/2016	-----	-----	-----	-----	1,543.488	66.959	22.569	0.000	2.9%	6.2%	-----	-----	1.7%
7/16/2016	-----	-----	-----	-----	1,547.731	66.959	22.569	0.000	-----	-----	-----	-----	-----
7/17/2016	-----	-----	-----	-----	1,554.333	67.155	22.569	0.000	-----	-----	-----	-----	-----

Opening Day	8/22/2016	2,393.935	115.286	115.059	0.000
14th Day	9/5/2016	2,348.100	146.700	207.300	0.000
Drop Day	9/20/2016	2,182.936	146.245	236.416	0.000
End of Term		2,113.267	161.367	248.767	0.000



OWENS COMMUNITY COLLEGE
Actual Revenue vs. Budgeted Revenue
 Fall Semester (201660)
 7/14/2016

Acct	Acct Title	7/14/2016				Year To Date			
		Actual	Budget	Difference		Actual	Budget	Difference	
26106	Deferred Instruction Fees	\$140,318.75	-----	-----	-----	\$6,896,436.61	-----	-----	-----
26176	Deferred General Fees	15,817.75	-----	-----	-----	767,479.00	-----	-----	-----
		156,136.50	87,809.01	68,327.49	77.8%	7,663,915.61	\$6,721,335.53	942,580.08	14.0%
	Less: CCP Activity ***	(1,037.50)	0.00	(1,037.50)	-----	(88,148.50)	0.00	(88,148.50)	-----
	Total Tuition - w/o CCP	\$155,099.00	\$87,809.01	\$67,289.99	76.6%	\$7,575,767.11	\$6,721,335.53	\$854,431.58	12.7%
	CCP Tuition **	0.00	766.98	(766.98)	(100.0%)	0.00	135,755.35	(135,755.35)	(100.0%)
	Total Tuition - with CCP	\$155,099.00	\$88,575.99	\$66,523.01	75.1%	\$7,575,767.11	\$6,857,090.88	\$718,676.23	10.5%
26116	Deferred Academic Tech Fee	\$6,380.50	\$3,828.23	\$2,552.27	66.7%	\$309,648.50	\$293,066.86	\$16,581.64	5.7%
26136	Deferred Student Engagement Fee	3,646.00	2,187.48	1,458.52	66.7%	176,942.00	167,469.57	9,472.43	5.7%
26156	Deferred Administrative Tech Fee	13,672.50	8,203.35	5,469.15	66.7%	663,532.50	628,000.36	35,532.14	5.7%
26166	Deferred Computer Usage Fee	3,646.00	2,187.48	1,458.52	66.7%	176,942.00	167,469.57	9,472.43	5.7%
		\$27,345.00	\$16,406.54	\$10,938.46	66.7%	\$1,327,065.00	\$1,256,006.36	\$71,058.64	5.7%
	Total Tuition + Student Fees	\$182,444.00	\$104,982.53	\$77,461.47	73.8%	\$8,902,832.11	\$8,113,097.24	\$789,734.87	9.7%
26186	Deferred Lab Fees	\$3,770.00	\$3,474.38	-----	-----	\$315,974.00	\$283,565.99	-----	-----
26192	Deferred Lab - E-Learning	3,234.00	2,394.35	-----	-----	228,000.00	218,801.72	-----	-----
26195	Deferred Lab - Course Material	3,731.00	1,750.61	-----	-----	325,866.00	245,412.72	-----	-----
	Less: CCP Activity ***	(480.00)	0.00	-----	-----	(\$32,940.50)	0.00	-----	-----
	Total Lab Fees	10,255.00	7,619.34	2,635.66	34.6%	836,899.50	747,780.43	89,119.07	11.9%
		\$192,699.00	\$112,601.87	\$80,097.13	71.1%	\$9,739,731.61	\$8,860,877.67	\$878,853.94	9.9%