




**ACHIEVEMENT**

A. Achieved 119% = 

**CORE THEME**

Sustainability

**1. OBJECTIVE**

S.1: Southwestern provides responsible fiscal management

**INDICATOR**

S.1.1: Success Indicator 15 – General Fund Ending Fund Balance

Measured by the actual to the target amount as a percent associated with the threshold level achieved for the General Fund Ending Fund Balance and Unrestricted Cash balance as derived from final audited figures and Board of Education Reports.

**Indicator Thresholds**

Green: 85% or greater      Yellow: Between 70% and 84%      Red: Below 70%

**Purpose and Meaning**

Supports responsible fiscal management of the general fund by a combination of achieving a positive cash flow throughout the year and meeting the target ending-fund-balance for the general fund. Meeting this measure indicates the control of daily operating expenditures and liabilities and in totality, the implementation of the planned general fund budget of revenue and expenditures were realizable

**WHAT WAS ACHIEVED AND WHAT IS PLANNED FOR THE FUTURE**

General Fund ending fund balance was \$2,171,492 for FY14 thus, reaching the targeted balance of \$2,000,000 Unrestricted cash was consolidated into the General Fund in FY11 which resulted in the jump in the ending fund balance.

For the fiscal year FY10, 11, 12, to show cash flow, the data used is the ‘unrestricted cash from all funds’ taken from monthly financial reports presented at Board of Education meetings on a quarterly basis. The unrestricted cash follows the same pattern each year with the 3<sup>rd</sup> quarter being the highest and the first quarter typically being the lowest. Following the change to Jenzabar, this data is not readily available but the one year-end number from the Financial Audit is.

The College has an established line of credit for immediate use if available cash falls short of needs. Due to decreased spending and intense monitoring of payables and accounts, no borrowing was necessary for 2010-2011 and 2011-2012. However, due to the second year of the biennium CCSF (State Community College Support Fund) payment deferred from April to July, the College did borrow in June 2013. The College did borrow from the line in June 2014.

The 2013-2014 Adopted Budget has a planned ending fund balance for general fund of \$1,820,000 resulting in an additional balance of \$351,492. This is quite an achievement because enrollment was reduced 5%; this was lower than other community colleges in the system.

**FACTORS AFFECTING RESULTS/PROGRESS**

The College’s budget has been stripped to essential services with the corresponding reductions in personnel, materials, services, and all other categories.

To balance the budget, some one-time money was used. Two known consequences of using cash reserves (one-time money) is 1) the budget next year will required finding the funds and, 2) reduction in unrestricted cash-on-hand that may require borrowing.

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**Success Indicator Changes for 2014-15 supporting NWCCU accreditation standards: 1.B.2; 4.A.1; 4.B.1; 5.B.2**  
No changes planned at this time.

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<b>Planned Projects</b>	<b>Strategic Objective – S1:</b> Southwestern provides responsible fiscal management <b>Project - S1.1:</b> Explore additional resource opportunities for the College
<b>Unit Planning</b>	Monitoring of expenditures by unit and group. Increase/maintain billing credits and FTE.
<b>Budget Impact</b>	Implementation of the adopted budget as planned without having to borrow due to low cash reserves.
<b>Achievement Analysis</b>	Ending fund balance and cash flow analysis.

**Success Indicator # 15**

Fiscal Cash Flow Responsibilities:

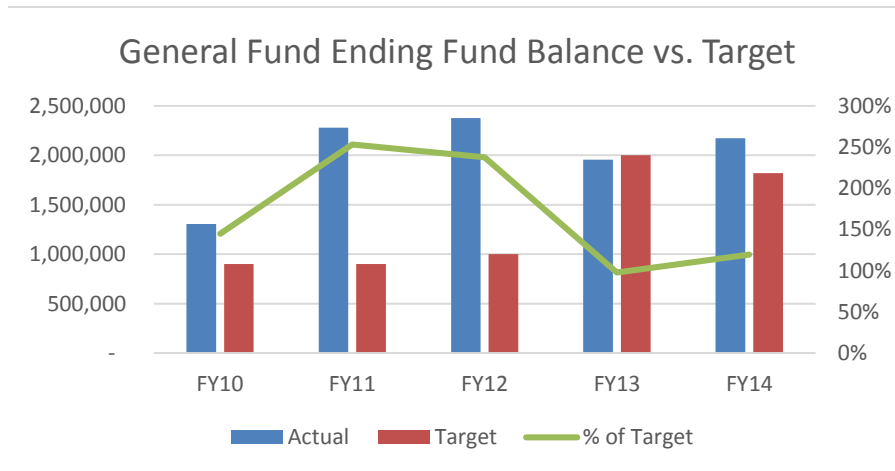
Measured by the Cash Flow Statement showing positive growing cash flow to meet ending fund balance target

**General Fund Ending Fund Balance**

	Actual	Target	% of Target
FY10	1,303,718	900,000	145%
FY11	2,278,609	900,000	253%
FY12	2,375,000	1,000,000	238%
FY13	1,953,980	2,000,000	98%
FY14	2,171,492	1,820,000	119%

Data Source: **Preliminary** Financial Audit

Note: FY11 consolidation of unrestricted cash

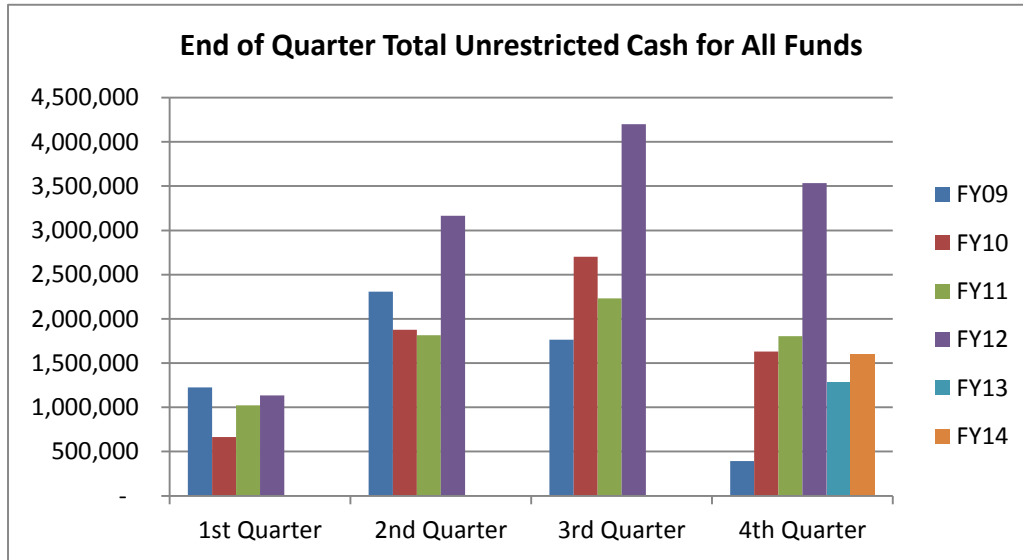


End of Quarter Total Unrestricted Cash for All Funds

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
FY09	1,226,662	2,308,377	1,765,853	391,251
FY10	664,248	1,875,192	2,701,128	1,628,964
FY11	1,021,516	1,814,759	2,232,727	1,805,620
FY12	1,135,570	3,165,997	4,197,945	3,533,914
FY13				1,284,521
FY14				1,597,411

Source of Data: Monthly Board Financial Statements (FY10, 11, 12)

FY13, FY14 data only available from audit



**DATA DOCUMENTATION**

*Documentation Posted:*

Portal: Resource Center Core Themes – Objectives – Success Indicator Page:  
[https://mylakerlink.socc.edu/ICS/Resource\\_Center/Core\\_Themes\\_-\\_Objectives\\_-\\_Success\\_Indicators.jnz?portlet=Handouts\\_2014-09-17T12-15-51-67](https://mylakerlink.socc.edu/ICS/Resource_Center/Core_Themes_-_Objectives_-_Success_Indicators.jnz?portlet=Handouts_2014-09-17T12-15-51-67)

Assessment Software: Success Indicator 15 Report – execute report for specified year

*Data References:*

Annual financial audit and monthly Board reports.

**ABOUT THE DATA**

The report and chart information was prepared and coordinated by Linda Kridelbaugh, Vice President Administrative Services and Robin Bunnell, Institutional Researcher.

Contributions to the narrative were supplied by Linda Kridelbaugh, Vice President Administrative Services.

**DETERMINING MEASUREMENT AND SETTING THRESHOLD LEVELS**

The ending fund balance, budgeted vs. actual, is a meaningful number and appropriately used for measuring the success of the budget planning. It shows how well administration planned for the year. Consideration should be given to changing the thresholds to a range for each; for example, for ‘achieved indicator’ the threshold range should be within ± 10% which translates to ± \$200,000 on a planned ending fund balance of \$2,000,000.

The second measure shown as unrestricted cash to be used for cashflow is not used in the calculation to determine if the

threshold was met. An additional measurement that could be added to this is the amount of unrestricted cash vs. a goal set by the board and administration for rainy-day funds. Having enough cash available would eliminate the need to borrow from the line of credit.

## Requirements

NWCCU Accreditation

For more detailed information, contact the Institutional Research office - [ir@socc.edu](mailto:ir@socc.edu)