



ACHIEVEMENT

Achieved 148% = 

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 \$2,699,369 for FY15 thus, reaching above the targeted balance of \$1,820,000. Unrestricted cash was consolidated into the General Fund in FY11 which indirectly affects the ending fund balance. The 2014-2015 Adopted Budget had a planned ending fund balance for the general fund of \$1,820,000 the actual fund balance resulted in an additional balance of \$879,369. The additional amount was comprised mostly of \$500,000 in short-term borrowing.

Unrestricted cash follows the same pattern each year with the third quarter reflecting the highest balance and the first quarter typically reporting the lowest balance. Therefore, 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 fiscal years 2011 and 2012. However, fiscal year 2013 saw a 15% decrease in the State Community College Support Fund (CCSF). In addition, in the second year of the biennium the eighth quarter CCSF payment was deferred from April to July, thereby requiring the College to borrow in June 2013. The College continued to borrow in fiscal years 2014 and 2015 as it struggled to recover from the 2013 down turn in State funding.

In the future only the targeted ending fund balance will continue to be our measurement for this success indicator. In order to focus on improving the ending fund balance budgeting tools have been implemented to help managers plan and monitor their budgets more effectively. In addition, new marketing techniques are in review for recruiting students; thereby increasing enrollment curbing the rising costs of tuition.

FACTORS AFFECTING RESULTS/PROGRESS

In fiscal year 2014-2015 the College saw a 10% increase in the CCSF from the prior year. However, there was concern over the possible effects of outcomes based funding resulting in the slowdown of travel and other discretionary spending. In addition, the beginning fund balance came in higher than anticipated as a direct result of required short-term borrowing.

BUDGET IMPACT ASSOCIATED WITH FUTURE PLANNING

Implementation of the adopted budget as planned without having to borrow due to low cash reserves

Success Indicator Changes for 2015-16 supporting NWCCU accreditation standards: 1.B.2; 4.A.1; 4.B.1; 5.B.2

Only the General Fund targeted ending fund balance will be used for this success indicator. Unrestricted cash will be removed as it is not a direct correlation to the ending fund balance.

Planned Projects

Strategic Objective – S1: Southwestern provides responsible fiscal management
Project - S1.1: Explore additional resource opportunities for the College

Unit Planning

Monitoring of expenditures by unit and group.
 Increase/maintain billing credits and FTE.

Achievement Analysis

Ending fund balance analysis.

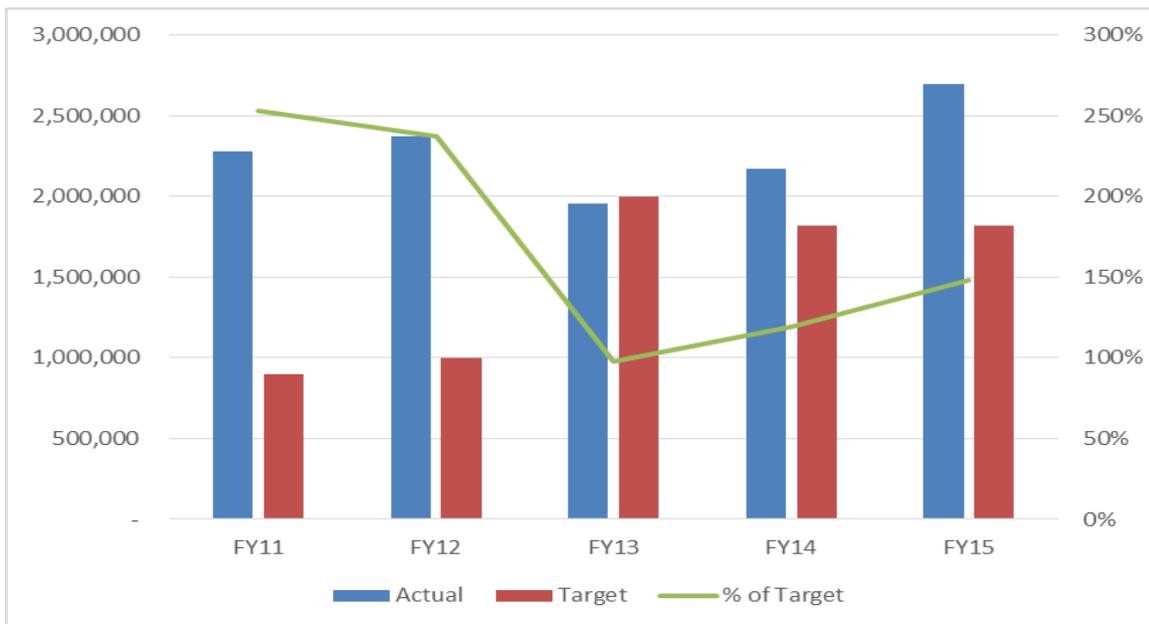
Fiscal Responsibilities:

Measured the growth in actual fund balance compared to the budgeted target

General Fund Ending Fund Balance

	Actual	Target	% of Target
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%
FY15	2,699,369	1,820,000	148%
Data Source: Annual Audit			

General Fund Ending Fund Balance vs. Target



DATA DOCUMENTATION

Documentation Posted:

Portal: Resource Center Core Themes – Objectives – Success Indicator Page:

https://mylakerlink.socc.edu/ICS/icsfs/SI15_CashFlow_2014_2015.pdf?target=bd3cffee-2952-4d35-96b2-3ce7c430cf40

Data References:

Annual financial audit and monthly Board reports.

ABOUT THE DATA

The report and chart information was prepared and coordinated by Kathy Dixon, Executive Director of Business Services, and Robin Bunnell, Institutional Researcher.

Contributions to the narrative were supplied by Kathy Dixon, Executive Director of Business 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 $\pm 10\%$ which translates to $\pm \$200,000$ on a planned ending fund balance of $\$2,000,000$.

Requirements

NWCCU Accreditation

For more detailed information, contact the Institutional Research office - ir@socc.edu