



Southwestern Oregon Community College

Success Indicator 16 Fiscal Responsibilities – All Funds

2014- 2015

ACHIEVEMENT

A. Achieved 96% =



B. Achieved .57 =



CORE THEME

Sustainability

1. OBJECTIVE

S.1: Southwestern provides responsible fiscal management

INDICATOR

S.1.2(A) and S.1.3(B): Success Indicator 16 – Fiscal Responsibilities – All Funds

Measured by the threshold level achieved

- A. calculated as the ending fund balance to target ending fund balance for all funds from final audited figures
- B. for the current ratio of assets to liabilities from internal reports/final audited figures

Indicator Thresholds

- A. Green: 85% or greater Yellow: Between 70% and 84% Red: Below 70%
- B. Green: Greater than 1.50 Yellow: 1.00 to 1.49 Red: Below 1.00

Purpose and Meaning

- A. Focuses on the fiscal stability of all funds managed by the college with indicator by measuring the ending-fund-balance of all the funds. Achieving the target goals for each fund shows the diligent management of the entire budget for the College and that all the funds were well managed and the planned budget was well thought-out and realizable. Indicator S.1.3 supports the Objective by identifying the college's assets and liabilities to determine the ratio trending to meet long-term sustainability and future liabilities. The data is from the annual financial audit report.
- B. Focuses on the fiscal stability of all funds managed by the college through identifying the College's current assets and liabilities then determining the ratio that indicates the College's ability to meet current obligations and future liabilities. The data is obtained from the annual financial audit report.

WHAT WAS ACHIEVED AND WHAT IS PLANNED FOR THE FUTURE

The total ending fund balance for all funds in fiscal year 2015 is \$2,893,340 a decrease of \$1,126,078 from 2013-14 and registering \$106,660 below the set baseline of \$3,000,000 but, remaining within the achieved threshold. The all funds – ending fund balance gives the overall view of the finances including the general fund, special projects, insurance reserve, debt service, capital projects, and enterprise funds. It includes bond proceeds reserved for capital construction which explains the peak years of FY04 – FY06 (building OCCI, Rec Center, and Curry reserves) and FY10-FY11 (building Curry Campus). There were no large capital projects in fiscal years 2013, 2014, and 2015.

The Current Ratio of assets to liabilities for fiscal year 2014-15 was calculated as .57, (for every 57 cents of assets there is \$1 of liabilities) a drastic decrease from 2013-14. The decrease was a result of the prior year excluding the current portion of long-term debt. Using long-term debt's current obligation in the current ratio calculation is more realistic of what the College will be required to pay within the year and therefore, will be included beginning with the 2014-15 fiscal year. In addition, in 2014-15 compensated absences and unearned revenue were removed from the ratio as compensated absences are an estimate of what may be paid out to all employees if they were to leave the College in the current year. This is highly unlikely to happen. Unearned revenues were excluded because the liability actually represents monies already received by the College prior to earning them, and is not a true financial obligation.

FACTORS AFFECTING RESULTS/PROGRESS

The general fund ended with a higher than anticipated ending fund balance as a result of an increase in State funding and tighter spending.

BUDGET IMPACT ASSOCIATED WITH FUTURE PLANNING

The College must continue planning and monitoring of revenues and expenditures on regular basis. In order to increase the current ratio enrollment along with completions must also increase.

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

There are currently no planned changes associated with this indicator.

Planned Projects

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

Unit Planning

Reduce expenditures through reducing energy consumption, increasing recycling and composting, and exploring the feasibility of other initiatives.

Monitor daily cash flow to minimize the need for borrowing.

Rebuild cash-on-hand to minimize the need for borrowing.

Achievement Analysis

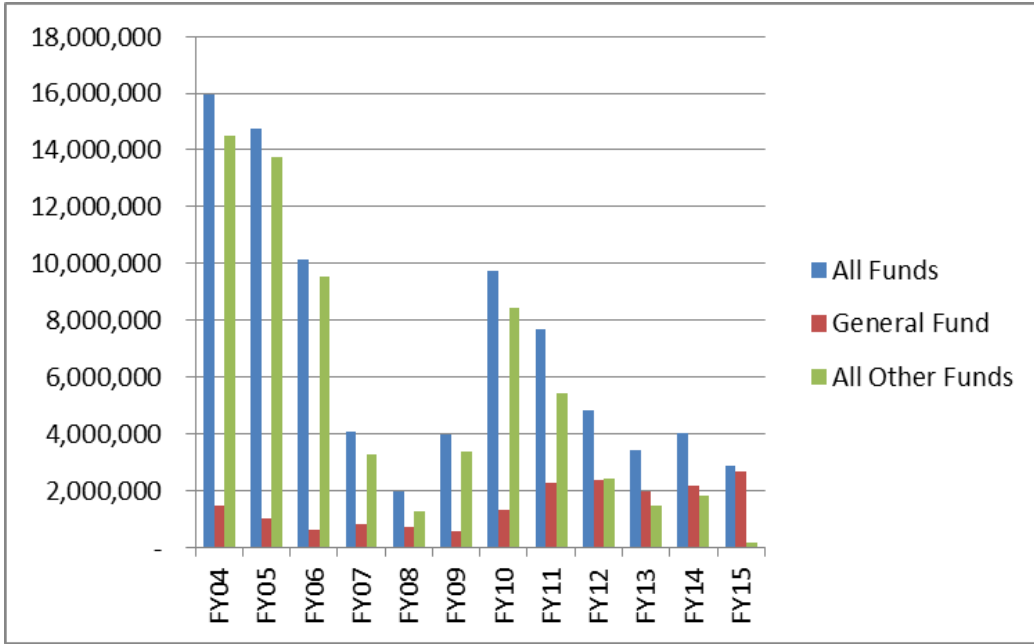
Fiscal Responsibilities – All Funds:

- A. Positive ending fund balance
- B. Current Ratio – Current assets to current liabilities

A.

All Funds Ending Fund Balance					
	All Funds	General Fund	All Other Funds	Target	% of Target
FY04	15,964,602	1,459,981	14,504,621		
FY05	14,774,041	1,001,541	13,772,500		
FY06	10,157,311	622,469	9,534,842		
FY07	4,094,979	809,992	3,284,987		
FY08	1,986,005	708,433	1,277,572		
FY09	3,964,666	579,341	3,385,325		
FY10	9,720,604	1,303,718	8,416,886	Set Baseline	Set Baseline
FY11	7,686,629	2,278,609	5,408,020	3,000,000	256%
FY12	4,812,023	2,373,276	2,438,747	3,000,000	160%
FY13	3,429,530	1,953,980	1,475,550	3,000,000	114%
FY14	4,019,418	2,171,492	1,847,926	3,000,000	134%
FY15	2,893,340	2,699,369	193,971	3,000,000	96%
	Data Source: Annual Audit				

All Funds Ending Fund Balance

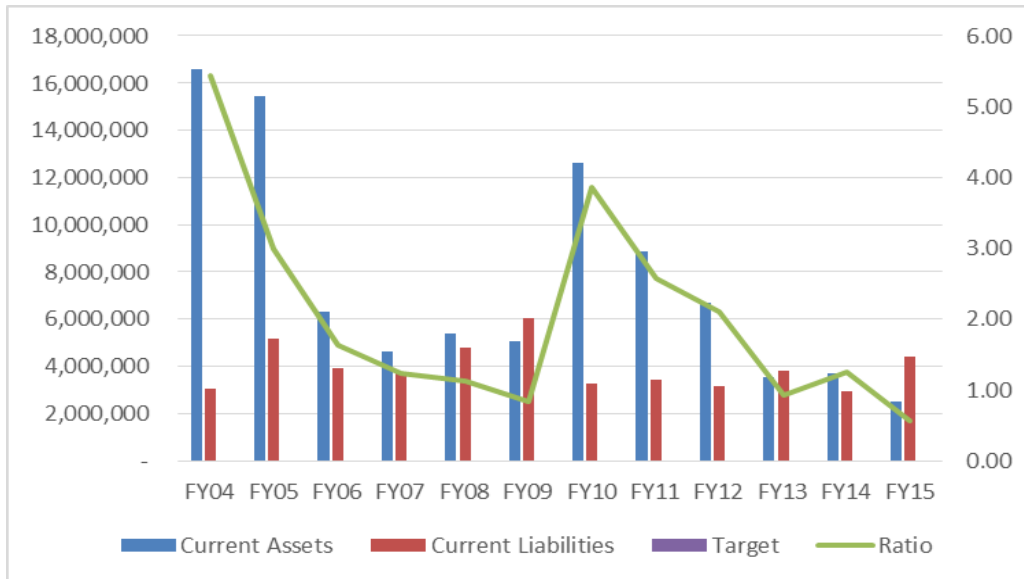


B.

Current Ratio Assets to Liabilities

	Current Assets	Current Liabilities	Ratio	Target
FY04	16,598,413	3,048,299	5.45	
FY05	15,450,654	5,169,469	2.99	
FY06	6,328,290	3,891,068	1.63	
FY07	4,633,053	3,741,293	1.24	
FY08	5,396,065	4,774,819	1.13	
FY09	5,060,608	6,038,698	0.84	
FY10	12,630,298	3,269,155	3.86	Set Baseline
FY11	8,854,678	3,452,246	2.56	2.00
FY12	6,662,435	3,176,339	2.10	2.00
FY13	3,541,756	3,806,630	0.93	2.00
FY14	3,704,913	2,947,453	1.26	2.00
FY15	2,505,321	4,391,694	0.57	2.00
	Data Source: Annual Audit			

Current Ration Assets to Liabilites



DATA DOCUMENTATION

Documentation Posted:

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

https://mylakerlink.socc.edu/ICS/icsfs/SI16_FiscalAllFunds_2014_2015.pdf?target=b793c317-f5ab-45ca-8b27-5d5be07cb20f

Data References:

Annual financial audit and internal 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 first measurement of all the ending fund balances is merely the sum of all. The threshold should be a range of ±10%. The second set of data of assets to liabilities, is a good measurement of available cash and an indicator of the need to borrow to meet the cashflow needs.

Requirements

NWCCU Accreditation

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