Agenda Item (VII-A)

Meeting 2/21/2012 - Regular

Agenda Item Consent Agenda Information (VII-A)

Subject CCFS-311Q - Quarterly Financial Status Report for the Quarter Ended

College/District District

Information Only

Background Narrative:

See the attached CCFS-311Q - Quarterly Financial Status Report for the Quarter ended December 31, 2011.

Prepared By: Jim Buysse, Vice Chancellor, Administration & Finance
Bill Bogle, Controller

Attachments:

Second Quarter CCFS-311Q - February 21, 2012
Education Code Section 84040 specifies that financial information be periodically reported to the California Community Colleges Board of Governors. To comply with this requirement, the District prepares Form CCFS-311Q - Quarterly Financial Status Report each fiscal quarter for submission to the Chancellor’s Office. The CCFS-311Q compares actual information for the prior three fiscal years to projected information for the current fiscal year. The Revenue, Expenditure and Fund Balance are the Unrestricted Funds of the General Fund. However the Cash Balance reflects both Unrestricted and Restricted Funds.

The General Fund consists of the following:

**Fund 11 - Unrestricted**
- Resource 1000 - General Unrestricted
- Resource 1080 - Community Education
- Resource 1090 - Performance Riverside
- Resource 1110 - Bookstore (Contractor Operated)
- Resource 1170 - Customized Solutions

**Fund 12 - Restricted**
- Resource 1050 - Parking
- Resource 1070 - Student Health
- Resource 1180 - Redevelopment Pass-Through
- Resource 1190 - Grants and Categorical Programs
Quarterly Financial Status Report, CCFS-311Q
CERTIFY QUARTERLY DATA

District: (960) RIVERSIDE

Your Quarterly Data is Certified for this quarter.

Chief Business Officer:
CBO Name: James L. Buyse
CBO Phone: 951-222-8047
CBO Signature: [Signature]
Date Signed: 02/03/2012

Chief Executive Officer Name: Gregory W. Gray
CEO Signature: [Signature]
Date Signed: 02/03/2012

District Contact Person
Name: Bill J. Bogle, Jr.
Title: Controller
Telephone: 951-222-8041
Fax: 951-222-8021
E-Mail: Bill.Bogle@rccd.edu

California Community Colleges, Chancellor's Office
1102 Q Street Sacramento, California 95814-4511

Send questions to:
Christine Atalig (916)327-5772 catalig@cccco.edu or Tracy Britten (916)323-6899 tbritten@cccco.edu
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### Quarterly Financial Status Report, CCFS-311Q

**District:** (960) RIVERSIDE

#### I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

**A. Revenues:**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.1</td>
<td>Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)</td>
<td>142,429,004</td>
<td>141,019,430</td>
<td>143,808,312</td>
<td>135,959,784</td>
</tr>
<tr>
<td>A.2</td>
<td>Other Financing Sources (Object 8900)</td>
<td>-814,021</td>
<td>-2,610,591</td>
<td>1,410,028</td>
<td>-344,073</td>
</tr>
<tr>
<td>A.3</td>
<td>Total Unrestricted Revenue (A.1 + A.2)</td>
<td>141,614,983</td>
<td>138,408,839</td>
<td>145,218,340</td>
<td>135,615,711</td>
</tr>
</tbody>
</table>

**B. Expenditures:**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.1</td>
<td>Unrestricted General Fund Expenditures (Objects 1000-6000)</td>
<td>145,870,223</td>
<td>139,960,566</td>
<td>142,578,585</td>
<td>140,780,784</td>
</tr>
<tr>
<td>B.2</td>
<td>Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)</td>
<td>1,291,930</td>
<td>1,152,570</td>
<td>632,790</td>
<td>1,251,129</td>
</tr>
<tr>
<td>B.3</td>
<td>Total Unrestricted Expenditures (B.1 + B.2)</td>
<td>147,162,153</td>
<td>141,113,136</td>
<td>143,211,375</td>
<td>142,031,913</td>
</tr>
</tbody>
</table>

**C. Revenues Over(Under) Expenditures (A.3 - B.3):**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>-5,547,170</td>
<td>-2,704,297</td>
<td>2,006,965</td>
<td>-6,416,202</td>
<td></td>
</tr>
</tbody>
</table>

**D. Fund Balance, Beginning:**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>18,801,019</td>
<td>13,253,849</td>
<td>10,468,684</td>
<td>12,450,649</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**D.1 Prior Year Adjustments + (-):**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>-80,868</td>
<td>-25,000</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**D.2 Adjusted Fund Balance, Beginning (D + D.1):**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>18,801,019</td>
<td>13,172,981</td>
<td>10,443,684</td>
<td>12,450,649</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**E. Fund Balance, Ending (C. + D.2):**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,253,849</td>
<td>10,468,684</td>
<td>12,450,649</td>
<td>6,034,447</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**F.1 Percentage of GF Fund Balance to GF Expenditures (E. / B.3):**

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>7.4%</td>
<td>8.7%</td>
<td>4.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### II. Annualized Attendance FTES:

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>31,111</td>
<td>31,185</td>
<td>29,437</td>
<td>26,044</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### III. Total General Fund Cash Balance (Unrestricted and Restricted)

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Actual 2008-09</th>
<th>Actual 2009-10</th>
<th>Actual 2010-11</th>
<th>Projected 2011-2012</th>
</tr>
</thead>
</table>

https://misweb.cccco.edu/cc311Q/view.aspx

2/2/2012
### IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Adopted Budget (Col. 1)</th>
<th>Annual Current Budget (Col. 2)</th>
<th>Year-to-Date Actuals (Col. 3)</th>
<th>Percentage (Col. 3/Col. 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I.1</td>
<td>Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)</td>
<td>135,959,784</td>
<td>135,959,784</td>
<td>66,275,621</td>
<td>48.7%</td>
</tr>
<tr>
<td>I.2</td>
<td>Other Financing Sources (Object 8900)</td>
<td>-344,073</td>
<td>-344,073</td>
<td>730,344</td>
<td>-212.3%</td>
</tr>
<tr>
<td>I.3</td>
<td>Total Unrestricted Revenue (I.1 + I.2)</td>
<td>135,615,711</td>
<td>135,615,711</td>
<td>67,005,965</td>
<td>49.4%</td>
</tr>
<tr>
<td>J.</td>
<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J.1</td>
<td>Unrestricted General Fund Expenditures (Objects 1000-6000)</td>
<td>140,780,784</td>
<td>140,780,784</td>
<td>63,845,256</td>
<td>45.4%</td>
</tr>
<tr>
<td>J.2</td>
<td>Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)</td>
<td>1,251,129</td>
<td>1,251,129</td>
<td>625,565</td>
<td>50%</td>
</tr>
<tr>
<td>J.3</td>
<td>Total Unrestricted Expenditures (J.1 + J.2)</td>
<td>142,031,913</td>
<td>142,031,913</td>
<td>64,470,821</td>
<td>45.4%</td>
</tr>
<tr>
<td>K.</td>
<td>Revenues Over(Under) Expenditures (I.3 - J.3)</td>
<td>-6,416,202</td>
<td>-6,416,202</td>
<td>2,535,144</td>
<td></td>
</tr>
<tr>
<td>L.</td>
<td>Adjusted Fund Balance, Beginning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>L.1</td>
<td>Fund Balance, Ending (C. + L.2)</td>
<td>6,034,447</td>
<td>6,034,447</td>
<td>14,985,793</td>
<td></td>
</tr>
<tr>
<td>M</td>
<td>Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### V. Has the district settled any employee contracts during this quarter? **YES**

**If yes, complete the following:** *(If multi-year settlement, provide information for all years covered.)*

<table>
<thead>
<tr>
<th>Contract Period Settled (Specify) YYYY-YY</th>
<th>Management</th>
<th>Permanent</th>
<th>Academic</th>
<th>Temporary</th>
<th>Classified</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Cost Increase</td>
<td>% *</td>
<td>Total Cost Increase</td>
<td>% *</td>
<td>Total Cost Increase</td>
</tr>
<tr>
<td>a. SALARIES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1: 2012-13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 2:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

https://misweb.cccco.edu/cc311Q/view.aspx
b. BENEFITS:

Year 1:  
Year 2:  
Year 3:  

* As specified in Collective Bargaining Agreement or other Employment Contract

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANs), issuance of COPs, etc.)?  
YES

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)
Due to the State’s continuing Budget Strategy of deferring apportionment, the District was forced to seek cash flow alternatives such as internal borrowing and Tax and Revenue Anticipation Notes (TRAN).

VII. Does the district have significant fiscal problems that must be addressed?  
This year?  YES  
Next year?  YES

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

FY 2011-2012
Once again, significant State budget cuts contributed to a budget shortfall for the District. The District was forced to make substantial cuts to section offerings despite surging demand; decrease discretionary expenses; continue a hiring freeze; offer another early retirement incentive; and utilize one-time sources to mitigate the impact of the budget shortfall. The State’s action of deferring apportionment funding will cause the District to experience cash flow shortages. The District was forced to secure alternate financing and implement internal borrowing measures to mitigate the impact of expected cash deficits.

FY 2012-2013
It is anticipated that the State will experience a structural deficit in FY 12-13 on the order of $9.2 billion. As a result, the District will be exploring budget strategies to address another budget shortfall.

It is expected that the State will continue to defer apportionment funding on par with prior fiscal years. The District will be forced to secure external financing and implement internal borrowing measures to mitigate the impact of cash deficits as a result of the apportionment deferrals.
### Cash Position - Unrestricted and Restricted

<table>
<thead>
<tr>
<th>Item</th>
<th>Beginning Cash, July 1, 2011</th>
<th>Net Change in Accounts Receivables</th>
<th>Net Change in Accounts Payables</th>
<th>Revenue and Other Financial Sources</th>
<th>Expenditures and Other Outgo</th>
<th>Ending Cash, December 31, 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$13,018,796</td>
<td>$34,081,693</td>
<td>($4,145,724)</td>
<td>$78,496,305</td>
<td>($76,561,670)</td>
<td>$44,889,400</td>
</tr>
</tbody>
</table>

### Budget and Actual Activity - Unrestricted

#### Adopted Revised YTD Activity

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Adopted Budget</th>
<th>Revised Budget</th>
<th>YTD Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>$151,281</td>
<td>$151,281</td>
<td>$7,119</td>
</tr>
<tr>
<td>State</td>
<td>96,100,720</td>
<td>96,100,720</td>
<td>47,859,328</td>
</tr>
<tr>
<td>Local</td>
<td>39,707,783</td>
<td>39,707,783</td>
<td>18,409,174</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>135,959,784</td>
<td>135,959,784</td>
<td>66,275,621</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>($344,073)</td>
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<td>Total Revenues</td>
<td>135,615,711</td>
<td>135,615,711</td>
<td>67,005,965</td>
</tr>
</tbody>
</table>

| Expenditures                  |                |                |              |
| Academic Salaries             | $60,471,738    | $60,494,544    | $28,611,362  |
| Classified Salaries           | 30,745,748     | 30,543,273     | 14,945,104   |
| Employee Benefits             | 30,705,589     | 30,810,109     | 13,048,437   |
| Materials & Supplies          | 2,329,934      | 2,396,976      | 961,502      |
| Services                      | 15,716,630     | 15,656,746     | 6,082,713    |
| Capital Outlay                | 811,145        | 879,136        | 196,138      |
| Total Expenditures            | 140,780,784    | 140,780,784    | 63,845,256   |
| Other Outgo - Objects         | 1,251,129      | 1,251,129      | 625,565      |
| Total Expenditures and Other Outgo | 142,031,913 | 142,031,913 | 64,470,821  |

#### Revenues Over (Under) Expenditures

<table>
<thead>
<tr>
<th>Revenues Over (Under) Expenditures</th>
<th>Adopted</th>
<th>Revised</th>
<th>YTD Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (6,416,202)</td>
<td>$ (6,416,202)</td>
<td>$ (6,416,202)</td>
<td>$2,535,144</td>
</tr>
</tbody>
</table>

| Beginning Fund Balances           | 12,450,649 | 12,450,649 | 12,450,649 |
| Ending Fund Balances              | $6,034,447 | $6,034,447 | $14,985,793 |

| Contingency                      |           |           |              |
| Unrestricted                     | $5,134,447 | $5,134,447 | $14,085,793 |
| Reserve                          | 900,000   | 900,000   | 900,000      |
| Total Contingency/Reserve        | $6,034,447 | $6,034,447 | $14,985,793 |

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**GENERAL FUND REVENUE AND EXPENDITURE REPORT**

**FOR THE PERIOD ENDED DECEMBER 31, 2011**

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**Budget and Actual Activity - Unrestricted**

### Adopted Revised YTD Activity

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Adopted Budget</th>
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<td>$151,281</td>
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<td>67,005,965</td>
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### Expenditures

| Expenditures                  |                |                |              |
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| Total Expenditures and Other Outgo | 142,031,913 | 142,031,913 | 64,470,821  |

#### Revenues Over (Under) Expenditures

<table>
<thead>
<tr>
<th>Expenditures Over (Under)</th>
<th>Adopted</th>
<th>Revised</th>
<th>YTD Activity</th>
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<tbody>
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<td>$ (6,416,202)</td>
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<td>$2,535,144</td>
</tr>
</tbody>
</table>

| Beginning Fund Balances   | 12,450,649 | 12,450,649 | 12,450,649 |
| Ending Fund Balances      | $6,034,447 | $6,034,447 | $14,985,793 |

| Contingency               |           |           |              |
| Unrestricted              | $5,134,447 | $5,134,447 | $14,085,793 |
| Reserve                   | 900,000   | 900,000   | 900,000      |
| Total Contingency/Reserve | $6,034,447 | $6,034,447 | $14,985,793 |