

ORANGE COUNTY COMMUNITY COLLEGE
Middletown, New York 10940

Office of the Vice President for Administration & Finance
October 19, 2022

To: Members of the Board of Trustees

From: Paul Martland, Vice President of Administration and Finance

FISCAL REPORT: September 1, 2022 – September 30, 2022

The report of revenue and expenditures for the period September 1, 2022 to September 30, 2022 is attached. This report compares the projected 2022-2023 fiscal year to the budget which reflects expected levels of State support and enrollment. The format of this report compares month activity to budget, current year to date activity to budget year to date, and projection to budget.

Year-to-Date Revenue Highlights

Total year-to-date revenues for the one-month period ending September 30, 2022, are 5.2% or \$815k lower than the budget expectations. Enrollment declines of 2.7% for Fall are the major contributing factors to the shortfall. This shortfall impacts tuition, fees, and chargeback revenues. Non-Credit Courses which are offered by the college's Continuing and Professional Development Education department also known as CAPE has a decline of 63.4% or \$82k.

Year-to-Date Expenditures Highlights

Total expenditures for the one-month period ending September 30, 2022, are 0.8% or \$38k below the budget. Each of the three major expense categories contributed to this variance. Personnel Services expenses are \$10k greater compared to budget. Employee benefit expenses are \$84k lower than budget largely due to healthcare savings related to vacant positions. Contract Services are greater than budget by \$36k primarily due to increase in utility cost. Equipment is equal to budget.

Full Year Projections

Full year projections are calculated using the actual results year-to-date, the monthly projections for the remainder of the year, and any new information that becomes known about particular line items. After one-month period of FY22, we project a negative bottom line of (\$95,395).

Revenue projections are 1.8%, or \$1.1 million less than the budget projections. Most of the variances are attributable to the following items:

1. Enrollment decline of 2.7% for the Fall will continue to the Spring and are larger than the college's budget.
2. Increase interest income due the college's anticipated investment in treasuries.

Expense projections are 1.7%, or \$1.0 million less than the budget projections. Most of the variances are attributable to the net reductions in personnel costs due to non-budgeted retirements, and savings due to the timing of filling open positions. Contract Services projections include the following items:

1. Materials and supplies savings of \$100k.
2. Increase utility costs of \$350k due to the anticipation of the new annual rate increasing by .03 kwh.
3. Utilization of Choice Words for the first 6 months of the fiscal year to assist in writing grants while the Grant Director position is vacant.
4. Hiring Campus Works at an estimated \$252k to assist in reviewing and enhancing the Financial Aid Departments workflow.

5. Supplement the Financial Aid Department team by using Financial Aid Consultants at an estimated \$231k. Currently there are two vacant fulltime positions.
6. Increase Operations and Maintenance of buildings cost by \$100k due to additional unexpected costs.
7. Reducing HEERF expenditures by \$1.3 million dollars to cover the projected tuition and fees shortfalls.

FUND BALANCE

SUNY's general guideline for each community college, regardless of size, is to "work to establish unrestricted net assets ranging from 5% to 15% of its operating expenses." The current projection indicates that the operating fund balance plus restricted fund balance will result in a level of 10.8% of operating expenses.

It should be noted that the College's estimated operating fund balance of \$6,722,759 is different from what our Sponsor Orange County report. The County fund balance calculation includes the college's restricted fund balance and adds back sick and vacation accruals that were recorded in the college's unrestricted fund. The County's methodology of adding back sick and vacation accruals produces a higher unrestricted fund balance than that reported by the College in our audited financial statements.

ORANGE COUNTY COMMUNITY COLLEGE

AY22-23 Projected Year-End

	A	B	C		D	E	F	G		H	I	J	K		L
	9/30/2022	9/30/2022	Actual Month vs Budget Month			YTD Actual	YTD Budget	YTD Actual vs. YTD Budget			AY22-23	AY22-23	Projected vs. Budget		
	Actual Month	Budget Month	\$ Variance	% Variance		as of 09/30/22	as of 09/30/22	\$ Variance	% Variance		*Revised Projection	Original Budget	\$ Variance	% Variance	
			Fav/(Unfav)	Fav/(Unfav)				Fav/(Unfav)	Fav/(Unfav)				Fav/(Unfav)	Fav/(Unfav)	
			(A-B)	(C/B)				(E-F)	(G/F)				(I-J)	(K/J)	
1 Revenue															
2 Fall	\$ 9,135,008	\$ 9,526,742	\$ (391,734)	-4.1%		9,135,008	\$ 9,526,742	\$ (391,734)	-4.1%		\$ 8,679,356	\$ 9,071,090	(391,734)	-4.3%	
3 Winter	-	-	-	#DIV/0!		-	-	-	#DIV/0!		95,981	95,981	-	0.0%	
4 Spring	(2,272)	(11,000)	8,728	-79.3%		(2,272)	(11,000)	8,728	-79.3%		7,124,924	7,416,196	(291,272)	-3.9%	
5 Summer	(22,624)	(3,500)	(19,124)	546.4%		(22,624)	(3,500)	(19,124)	546.4%		1,497,698	1,366,822	130,876	9.6%	
6 Tuition-Credit	9,110,112	9,512,242	(402,130)	-4.2%		9,110,112	9,512,242	(402,130)	-4.2%		17,397,959	17,950,089	(552,130)	-3.1%	
7 Tuition-Non-Credit	3,440	4,500	(1,060)	-23.6%		3,440	4,500	(1,060)	-23.6%		24,102	25,162	(1,060)	-4.2%	
8 Total Tuition	9,113,552	9,516,742	(403,190)	-4.2%		9,113,552	9,516,742	(403,190)	-4.2%		17,422,061	17,975,251	(553,190)	-3.1%	
9 State Aid	2,952,102	2,952,102	-	0.0%		2,952,102	2,952,102	-	0.0%		11,808,407	11,808,407	-	0.0%	
9a State Aid-Non Credit Courses	229,548	229,548	-	0.0%		229,548.3	229,548	-	0.0%		918,193	918,193	-	0.0%	
10 County Aid	-	-	-	0.0%		-	-	-	0.0%		19,624,469	19,624,469	-	0.0%	
11 Chargebacks	1,151,964	1,399,874	(247,910)	-17.7%		1,151,964	1,399,874	(247,910)	-17.7%		2,448,145	2,896,055	(447,910)	-15.5%	
12 Service Fees	1,390,131	1,466,715	(76,584)	-5.2%		1,390,131	1,466,715	(76,584)	-5.2%		2,656,826	2,803,410	(146,584)	-5.2%	
13 Non Credit Courses	47,275	129,342	(82,067)	-63.4%		47,275	129,342	(82,067)	-63.4%		417,934	500,001	(82,067)	-16.4%	
14 ARP Funding	-	-	-	#DIV/0!		-	-	-	#DIV/0!		6,192,634	6,192,634	-	0.0%	
15 Other	29,196	34,119	(4,923)	-14.4%		29,196	34,119	(4,923)	-14.4%		543,121	458,044	85,077	18.6%	
16 Sub-Total	5,800,216	6,211,700	(411,485)	-6.6%		5,800,216	6,211,700	(411,485)	-6.6%		44,609,728	45,201,213	(591,485)	-1.3%	
17 Total Revenues	14,913,767	15,728,442	(814,675)	-5.2%		14,913,767	15,728,442	(814,675)	-5.2%		62,031,789	63,176,464	(1,144,675)	-1.8%	
18 Expenditures			(F-E)	(G/F)				(F-E)	(G/F)				(J-I)	(K/J)	
19 Total Personnel Services	2,572,328	2,562,794	(9,534)	-0.4%		2,572,328	2,562,794	(9,534)	-0.4%		33,229,358	33,573,994	344,636	1.0%	
20 Total Employee Benefits	1,485,235	1,569,601	84,366	5.4%		1,485,235	1,569,601	84,366	5.4%		18,011,866	18,337,172	325,306	1.8%	
21 Total Contract Services	998,890	962,510	(36,380)	-3.8%		998,890	962,510	(36,380)	-3.8%		10,874,061	11,253,398	379,337	3.4%	
22 Equipment	1,949	1,949	(0)	0.0%		1,949	1,949	(0)	0.0%		11,900	11,900	(0)	0.0%	
23 Total Expenditures	5,058,403	5,096,854	38,451	0.8%		5,058,403	5,096,854	38,451	0.8%		62,127,184	63,176,464	1,049,279	1.7%	
24 Rev over/(under) Exp	\$ 9,855,364	\$ 10,631,588	\$ (776,224)			\$ 9,855,364	\$ 10,631,588	\$ (776,224)			\$ (95,395)	\$ 0	\$ (95,396)		
Est Operating Fund balance as of 8/31/21		10.97%	of Operating Expense								Operating Fund	6,818,154			
Proj. Operating fund balance as of 8/31/22		10.82%	of Operating Expense									6,722,759			