

## **Current Fund**

### **Revenue**

**Tuition and Fees** - Tuition and fees revenue increased by \$47,111. Net credit tuition and fees increased by \$227,661 based on fall and spring actual revenue. Net CE tuition and fees decreased by \$180,550 based on 1<sup>st</sup> and 2<sup>nd</sup> quarter actual revenue. ( $\$227,661 - \$180,550 = \$47,111$ )

**Grants and Contracts** – Total federal and state grants and contracts revenue decreased by \$4,526,201. Pell Grants revenue decreased by \$5,000,000. Federal grants revenue increased by \$384,142 and state grants increased by \$89,657 for a net decrease of \$4,526,201. ( $\$384,142 + \$89,657 - \$5,000,000$ ) The Comparative Grant Fund Budget attachment identifies revisions by award type. The revised budget reflects the addition of a several new grants awarded but the reduction in Pell grant negates the increase. Various adjustments were made to decrease or increase the amount of federal and state grants revenue based on fiscal year to date disbursements.

**Sales/Services of Auxiliary Enterprises** - Auxiliary Enterprise revenue decreased by \$835,685. \$845,468 is related to a decrease in bookstore/print shop sales. (Bookstore decrease of \$779,950/Print Shop decrease of \$65,518) Anticipated increases in bookstore and print shop revenues have not been realized in the current fiscal year. The remaining \$9,783 increase is related to an increase in athletic camp revenue (\$5,578) and an increase in student activity fees (\$4,205).

**Miscellaneous Income** – Total miscellaneous income increased by \$20,100. The \$11,100 decrease is due to a reduction in the amount budgeted for indirect cost recovery. Donation revenue increased by \$31,200. The College received a donation of 12 High Speed Firewall unit used in the instructional area of Cybersecurity.

**Building Fund** – The \$2,500,000 gift from the City of McKinney was not approved.

### **Expenditures**

**Education and General Expenditures** – The budget for Educational and General Expenditures increased by \$67,211 in total. The changes in the Educational and General Expenditures is mainly attributable to the allocation of budgeted salary increases and new positions totaling \$2,732,266 and prior year encumbrance carry forward totaling \$130,815. Additional funds totaling \$1,363,536 were transferred to the organizational budgets as shown in the table below. ( $\$2,732,266 + \$130,815 + \$1,363,536 = \$4,226,617$ ) The transfer from the current unrestricted funds to the building fund was lowered by \$151,843.

Transferred From	Amount	Reason
Reserve for Current Operations	\$ 675,000	Computers for labs
Reserve for Current Operations	\$ 240,653	Software for various organizations
Reserve for Current Operations	\$ 214,258	Financial Aid Operating Expenses
Reserve for Current Operations	\$ 56,785	2 Nursing professors for ½ year
Reserve for Current Operations	\$ 47,647	Equipment for Simulation Labs
Reserve for Current Operations	\$ 25,000	Interpreting Services
Reserve for Current Operations	\$ 24,000	Furniture for Instructional Offices
Reserve for Current Operations	\$ 19,682	Advertising Expense
Reserve for Current Operations	\$ 16,500	Professional Development-Human Resources
Reserve for Current Operations	\$ 8,000	Accreditation Consultant for Simulation
Total transferred to Organizational Budgets	\$1,327,525	
Decrease in Revenues to Current Operations	\$ -11,100	Decrease in Indirect Cost Recovery Revenue
Increase in Revenues to Current Operations	\$ 47,111	Tuition Revenue Increase
Total Reserve for Current Operations	\$1,363,536	
Total transfer from Salary Reserves	\$2,732,266	
Total transfer from Encumbrance Reserve	\$ 130,815	
Total transfers to Organizational Expenses	\$4,226,617	

The remaining \$67,211 is an offset to the revenue increase for current unrestricted funds consisting of:

\$31,200	Computer Network Equipment
(\$11,100)	Decrease in Miscellaneous Revenue
<u>\$47,111</u>	Increase in tuition and fees
\$67,211	Total Change

**Sales/Services of Auxiliary Enterprises** – A decrease in expenses in auxiliary of \$213,172 is partially attributable to a reduction in operating expenses in the bookstore (\$619,639) and the Print Shop (\$65,518). Operating expenses increased in Food Services \$15,000, Student Activities \$4,350, Athletics \$15,168, Scholarships \$71,028, and TACC \$1,653. An additional increase in expenses of \$364,786 is related to the Department of Education Audit findings. The net amount is a decrease of \$213,172. A decrease in fund balance of \$622,513 is used to offset the decrease in revenues.

**Grants and Contracts** – Total federal and state grant expenses decreased to match budgeted revenue. Pell grants decreased by \$5,000,000. Some state grants decreased and additional grants were added as noted on the Comparative Grant Fund Budget. The NSF grant total increased by \$350,224 related to awards received after September 1, 2013.

**Building Fund** – The Fire Science/Law Enforcement Training Center project has been cancelled which resulted in a decrease for all expenses related to the Fire Science building totaling \$8,000,000.

Expenses for renewal and replacement increased by \$3,049,000 due to necessary projects for routine repairs and upgrades to ensure operational stability of the buildings and equipment throughout the District. Examples of these projects are painting at Courtyard, Preston Ridge, Spring Creek and Collin Higher Education Center, parking lot and pavement repairs, lighting replacement in the theater at Spring Creek, repairs and remodels of restrooms at Courtyard, Preston Ridge, and Spring Creek campuses. A major expense relates to the replacement of the cooling towers and upgrading the HVAC system at the Preston Ridge campus. The cost will be approximately \$1,950,000.