



Multnomah Education Service District
June 19, 2012 Board Meeting

May 31, 2012 – Fiscal Report

FUND 1 – RESOLUTION SERVICES

- **State School Fund and Resolution Services Transfer of Overhead:**

Last year, in June 2011, we informed the board that the May SSF payment came in with a \$606K negative prior year adjustment which caused net transactions to total -\$273K for the month and required a return of SSF dollars to ODE. This was the result of a final fiscal year calculation of 2009-2010 revenues received by the state which were less than the estimated SSF amounts paid throughout the year.

ODE makes this type of adjustment in May each year. The past four years now have had negative May adjustments which directly correlate to the state's general economic condition in any given year.

This year, the May 2012 SSF adjustment for fiscal year 2010-2011 was a negative \$223K. Our May 2012 payment covered the full adjustment amount so no additional return of funds to ODE on top of this amount will be necessary this year.

The negative SSF amount recorded this May caused a reduction in the 10% SSF overhead calculation of \$22.3K.

- **State Sources:**

There is negative \$2,965 shown in the State Source category of revenues in fund 1.

Each year, in order to receive funding from the National School Lunch Program, we are required to show evidence of contributing a small amount of matching funding from state general funds.

We pay for some of our food costs for our students out of Resolution dollars in amounts that well exceed the required match amount and have been able to use that information in past years to provide ODE with the evidence of match that they need in order to meet the federal criteria.

However, ODE informed us last year that, during the Oregon Secretary of State's audit of ODE, it was determined that the only acceptable evidence was a report showing a journal entry having been made to transfer funding from state funds in fund 1 to a fund 2 cost center.

In order to accommodate this, we have recorded a decrease to fund 1 and an increase to fund 2 in the ODE School Lunch Match revenue code that totals \$0 in revenue agency wide, but complies with the Secretary of State's requirement.

- **Total Expenditures:**

Month to Date Expenditures in Fund 1 reflect a decrease in total expenditures in Technology Services and Instructional Services with a similar increase in Business Services.

This is due to a consolidation of Transits into one line item in the Service Plan in an "Other Services" category which previously was shown in multiple program categories on the service plan and, when paid to the districts, was recorded in the general ledger within each program's cost center.

As a result of the service plan change, transits previously recorded in Technology Services and Instructional Services were moved into one transit location within Business Services in the general ledger.

**Multnomah Education Service District
 Combined Fund Summary- All Funds
 For the Period Ending May 31, 2012**

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	16,157,704		21,528,493	21,528,493
Revenues				
Property Taxes	25,797,737	106,024	24,609,940	25,476,000
State School Fund	7,332,344	130,087	4,657,196	4,894,527
Local Sources	8,817,881	701,921	4,695,689	8,322,754
State Sources	16,511,863	6,514,839	12,915,285	17,965,115
Federal Sources	7,375,732	1,794,421	4,281,593	8,456,264
Investment Earnings	158,000	6,465	94,115	96,806
Sales of Goods & Services	1,686,530	18,393	1,191,810	1,272,872
Other Revenues	<u>2,942,073</u>	<u>212,286</u>	<u>2,846,179</u>	<u>3,484,493</u>
Total Revenues	70,622,160	9,484,436	55,291,807	69,968,831
Transfers In & Overhead Charges				
Overhead Revenues	2,188,197	193,048	1,779,217	2,392,488
Other Sources			15,353	15,353
Resolution Services Fund	3,323,208	23,605	3,083,374	3,117,053
Operating Fund	<u>1,649,901</u>		<u>1,653,714</u>	<u>1,653,714</u>
Total Transfers In/Overhead	7,161,306	216,653	6,531,658	7,178,608
Total Sources	93,941,170	9,701,089	83,351,958	98,675,932
USES				
Total Expenditures	75,782,570	5,816,507	56,372,945	72,216,366
Transfers Out & Overhead Charges				
Overhead Charges	2,302,985	193,048	1,779,219	2,392,488
Transfers	3,813		19,168	3,813
Debt Service	550,130		550,130	550,130
Facilities Acq. & Improvements	729,000		729,000	729,000
Operating	3,398,979	23,605	3,159,145	3,192,824
Risk Management Reserve	<u>295,000</u>		<u>295,000</u>	<u>295,000</u>
Total Transfers Out/Overhead	7,279,907	216,653	6,531,662	7,163,255
Contingency	1,857,276			250,000
Total Uses	84,919,753	6,033,104	62,904,551	79,629,617
Ending Fund Balance	9,021,416	3,667,983	20,447,407	19,046,316

**Multnomah Education Service District
 Combined Fund Summary- All Funds
 For the Period Ending May 31, 2012**

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
EXPENDITURE PERSPECTIVES				
By Department				
Non-Departmental	18,000		144,726	144,794
Administration	1,321,790	95,949	1,192,944	1,432,278
Facilities Services	1,918,744	153,068	1,818,065	1,933,862
Business Services	2,047,887	5,910,066	8,180,265	10,079,079
Human Resources	925,121	48,925	602,931	820,630
Communication Services	1,086,853	75,049	820,050	1,086,853
Technology Services	6,841,435	(55,116)	5,266,401	7,035,023
Special Education	26,164,624	1,877,153	20,532,610	25,568,205
Health & Social Services	11,838,384	900,938	8,664,674	11,590,470
Instructional Services	20,287,286	(3,684,589)	7,630,993	9,217,726
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Capital Improvements	640,000		85,509	615,000
Total Expenditures by Department	<u>75,782,570</u>	<u>5,816,507</u>	<u>56,372,945</u>	<u>72,216,366</u>
By Function				
Instruction	19,646,675	1,685,654	15,475,262	19,630,261
Support Services	37,111,173	2,772,665	29,422,105	36,550,850
Enterprise & Community Service	4,445,050	278,150	2,321,894	3,820,155
Facilities Acq. & Construction	475,000		85,509	475,000
Other Uses	11,412,226	584,974	7,634,398	9,047,654
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Total Expenditures by Function	<u>75,782,570</u>	<u>5,816,507</u>	<u>56,372,945</u>	<u>72,216,366</u>
By Category				
Salaries	31,116,555	2,537,484	24,478,804	30,066,320
Associated Payroll Costs	15,897,895	1,294,976	12,790,395	15,982,287
Purchased Services	11,023,540	760,416	7,539,717	10,622,686
Supplies and Materials	3,080,506	143,593	2,371,672	3,231,285
Capital Outlay	541,402		124,182	573,688
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Transit Payments	11,412,226	584,974	7,634,398	9,047,654
SB1149 Distributions	18,000			
Total Expenditures by Category	<u>75,782,570</u>	<u>5,816,507</u>	<u>56,372,945</u>	<u>72,216,366</u>

**Multnomah Education Service District
Fund 1- Resolution Services Summary
For the Period Ending May 31, 2012**

The Resolution Services Fund accounts for the various programs provided to the component districts as specified by the resolutions. The sources of revenues for this fund come exclusively from local property taxes and the State School Fund. In accordance with Oregon Revised Statute 334.177, 10% of these revenues are transferred to the Operating Fund and used to pay for the general operating costs of the agency. The remaining 90% is apportioned to the eight component school districts according to average daily membership weighted (ADMw).

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	1,533,309		1,185,480	1,185,480
Revenues				
Property Taxes	25,797,737	106,024	24,609,940	25,476,000
State School Fund	7,332,344	130,087	4,657,196	4,894,527
State Sources		(2,965)	(2,965)	(2,965)
Federal Sources			214,212	428,423
Other Revenues			533,083	533,083
Total Revenues	33,130,081	233,146	30,011,466	31,329,068
Total Sources	34,663,390	233,146	31,196,946	32,514,548
USES				
Total Expenditures	31,340,182	2,041,961	22,578,147	28,264,565
Transfers Out & Overhead Charges				
Facilities Acq. & Improvements	80,000		80,000	80,000
Operating	3,243,208	23,605	3,003,374	3,037,053
Total Transfers Out/Overhead	3,323,208	23,605	3,083,374	3,117,053
Total Uses	34,663,390	2,065,557	25,661,507	31,381,615
Ending Fund Balance	()	(1,832,411)	5,535,439	1,132,932

**Multnomah Education Service District
Fund 1- Resolution Services Summary
For the Period Ending May 31, 2012**

The Resolution Services Fund accounts for the various programs provided to the component districts as specified by the resolutions. The sources of revenues for this fund come exclusively from local property taxes and the State School Fund. In accordance with Oregon Revised Statute 334.177, 10% of these revenues are transferred to the Operating Fund and used to pay for the general operating costs of the agency. The remaining 90% is apportioned to the eight component school districts according to average daily membership weighted (ADMw).

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
EXPENDITURE PERSPECTIVES				
By Department				
Non-Departmental Administration			62,630	62,630
Facilities Services	28,452	2,789	29,157	31,622
Business Services		5,815,120	6,062,602	7,796,253
Human Resources				
Communication Services	2,520	(167)	2,400	2,520
Technology Services	2,806,848	(308,434)	2,555,121	2,991,676
Special Education	8,872,243	467,012	7,112,051	8,714,097
Health & Social Services	5,145,863	418,049	3,893,700	5,127,907
Instructional Services	14,484,256	(4,352,408)	2,860,486	3,537,860
Total Expenditures by Department	31,340,182	2,041,961	22,578,147	28,264,565
By Function				
Instruction	7,112,781	642,794	5,664,690	7,165,950
Support Services	13,885,097	1,077,884	11,090,879	13,503,723
Enterprise & Community Service	434,777	119	7,458	12,851
Other Uses	9,907,527	321,164	5,815,120	7,582,041
Total Expenditures by Function	31,340,182	2,041,961	22,578,147	28,264,565
By Category				
Salaries	12,320,138	1,000,426	9,448,499	11,810,303
Associated Payroll Costs	6,577,893	535,644	5,145,477	6,555,555
Purchased Services	2,003,134	149,428	1,700,209	1,712,256
Supplies and Materials	515,088	35,299	423,154	555,722
Capital Outlay	16,402		45,688	48,688
Transit Payments	9,907,527	321,164	5,815,120	7,582,041
Total Expenditures by Category	31,340,182	2,041,961	22,578,147	28,264,565

**Multnomah Education Service District
Fund 2- Contracted Services Summary
For the Period Ending May 31, 2012**

The Contracted Services Fund accounts for various activities and programs provided to the eight component districts. The primary source of revenues are federal, state and local grants. In addition, component units may contract for additional services.

A maximum surcharge of 10% is added to the cost of services from this fund in order to cover the operating costs of the agency. Where grants specify a different overhead rate the lower rate is applied.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	7,957,838		12,054,865	12,054,865
Revenues				
Local Sources	8,807,381	669,821	4,336,897	7,980,154
State Sources	16,511,863	6,517,804	12,918,250	17,968,080
Federal Sources	7,375,732	1,794,421	4,062,637	8,023,097
Investment Earnings			1,806	1,806
Sales of Goods & Services	1,391,530	1,001	971,575	977,872
Other Revenues	331,857	4,076	115,231	160,688
Total Revenues	34,418,363	8,987,123	22,406,396	35,111,697
Transfers In & Overhead Charges				
Overhead Revenues	2,188,197	193,048	1,779,217	2,392,488
Other Sources			15,353	15,353
Operating Fund			3,813	3,813
Total Transfers In/Overhead	2,188,197	193,048	1,798,383	2,411,654
Total Sources	44,564,398	9,180,171	36,259,644	49,578,216
USES				
Total Expenditures	35,026,638	2,824,383	27,193,665	34,579,051
Transfers Out & Overhead Charges				
Overhead Charges	2,302,985	193,048	1,779,219	2,392,488
Transfers			15,355	
Total Transfers Out/Overhead	2,302,985	193,048	1,794,574	2,392,488
Contingency	1,505,893			250,000
Total Uses	38,835,515	3,017,392	28,988,195	37,221,538
Ending Fund Balance	5,728,882	6,162,777	7,271,449	12,356,680

**Multnomah Education Service District
Fund 2- Contracted Services Summary
For the Period Ending May 31, 2012**

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A maximum surcharge of 10% is added to the cost of services from this fund in order to cover the operating costs of the agency. Where grants specify a different overhead rate the lower rate is applied.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
EXPENDITURE PERSPECTIVES				
By Department				
Non-Departmental			4,290	4,290
Administration	18,280		97,123	123,685
Facilities Services	324,802	34,078	359,263	384,158
Business Services	1,935,451	54,121	1,992,015	2,165,246
Human Resources	658,918	42,163	454,272	559,543
Technology Services	2,922,765	179,975	1,849,289	2,947,525
Special Education	17,107,276	1,396,118	13,262,417	16,669,003
Health & Social Services	6,478,839	466,473	4,587,560	6,259,458
Instructional Services	5,580,307	651,455	4,587,436	5,466,143
Total Expenditures by Department	35,026,638	2,824,383	27,193,665	34,579,051
By Function				
Instruction	12,533,894	1,042,860	9,810,572	12,464,311
Support Services	16,977,772	1,239,682	13,249,379	16,841,823
Enterprise & Community Service	4,010,273	278,031	2,314,436	3,807,304
Other Uses	1,504,699	263,810	1,819,278	1,465,613
Total Expenditures by Function	35,026,638	2,824,383	27,193,665	34,579,051
By Category				
Salaries	16,759,193	1,366,622	13,163,284	16,198,867
Associated Payroll Costs	8,172,429	673,557	6,686,971	8,316,963
Purchased Services	6,460,125	431,501	3,812,874	6,348,577
Supplies and Materials	2,130,192	88,893	1,711,258	2,249,031
Transit Payments	1,504,699	263,810	1,819,278	1,465,613
Total Expenditures by Category	35,026,638	2,824,383	27,193,665	34,579,051

Multnomah Education Service District
Fund 3- Debt Service Summary
For the Period Ending May 31, 2012

The Debt Service Fund accounts for the activities associated with the agency's long-term debt, including the PERS Unfunded Actuarial Liability (UAL) Bonding and the 2004 Refunding Certificates of Participation (COP) originally used to fund the construction of Arata Creek School.

Beginning in fiscal year 2009-10, the annual debt service expense reflects only the 2004 COP issue. With regard to the PERS UAL bonds, a benefit expense is applied to all payroll to generate the funds necessary to pay this debt service. These amounts are recorded to a liability account to which the debt service payments are charged.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance			3,028	3,028
Revenues				
Other Revenues	2,142,316	166,435	1,634,042	2,139,288
Total Revenues	2,142,316	166,435	1,634,042	2,139,288
Transfers In & Overhead Charges				
Operating Fund	550,130		550,130	550,130
Total Transfers In/Overhead	550,130		550,130	550,130
Total Sources	2,692,446	166,435	2,187,200	2,692,446
USES				
Total Expenditures	2,692,446	495,064	1,433,777	2,692,446
Total Uses	2,692,446	495,064	1,433,776	2,692,445
Ending Fund Balance		(328,629)	753,423	
EXPENDITURE PERSPECTIVES				
By Department				
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Total Expenditures by Department	2,692,446	495,064	1,433,777	2,692,446
By Function				
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Total Expenditures by Function	2,692,446	495,064	1,433,777	2,692,446
By Category				
Purchased Services				
Debt Service	2,692,446	495,064	1,433,777	2,692,446
Total Expenditures by Category	2,692,446	495,064	1,433,777	2,692,446

Multnomah Education Service District
Fund 4- Facilities Acquisition & Impro Summary
For the Period Ending May 31, 2012

This fund accounts for facility acquisitions and improvements as well as major maintenance projects. In addition, it also accounts for the accumulation of resources for future acquisition of major software, equipment and furniture.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	420,212		1,202,725	1,202,725
Revenues				
Other Revenues			1,220	50,334
Total Revenues			1,220	50,334
Transfers In & Overhead Charges				
Resolution Services Fund	80,000		80,000	80,000
Operating Fund	649,000		649,000	649,000
Total Transfers In/Overhead	729,000		729,000	729,000
Total Sources	1,149,212		1,932,945	1,982,059
USES				
Total Expenditures	640,000		85,509	615,000
Total Uses	640,000		85,508	615,000
Ending Fund Balance	509,212		1,847,434	1,367,057
EXPENDITURE PERSPECTIVES				
By Department				
Capital Improvements	640,000		85,509	615,000
Total Expenditures by Department	640,000		85,509	615,000
By Function				
Support Services	165,000			140,000
Facilities Acq. & Construction	475,000		85,509	475,000
Total Expenditures by Function	640,000		85,509	615,000
By Category				
Purchased Services	165,000		7,015	140,000
Capital Outlay	475,000		78,494	475,000
Total Expenditures by Category	640,000		85,509	615,000

Multnomah Education Service District
Fund 6- Operating Summary
For the Period Ending May 31, 2012

The Operating fund accounts for the indirect operating costs of the agency. In accordance with Oregon Revised Statute 334.177, 10% of local revenues from the Resolution Services fund are transferred to this fund. In addition, a maximum 10% overhead surcharge is applied to all program activities in the Contracted Services fund and credited to this fund.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	5,909,200		6,508,458	6,508,458
Revenues				
Local Sources	10,500	32,100	358,792	342,600
Federal Sources			4,744	4,744
Investment Earnings	140,000	6,465	92,309	95,000
Sales of Goods & Services	295,000	17,392	220,235	295,000
Other Revenues	42,900	2,103	44,895	48,400
Total Revenues	488,400	58,060	720,975	785,744
Transfers In & Overhead Charges				
Overhead Revenues				
Resolution Services Fund	3,243,208	23,605	3,003,374	3,037,053
Operating Fund	155,771		155,771	155,771
Total Transfers In/Overhead	3,398,979	23,605	3,159,145	3,192,824
Total Sources	9,796,579	81,665	10,388,578	10,487,026
USES				
Total Expenditures	5,414,878	408,375	4,511,666	5,414,878
Transfers Out & Overhead Charges				
Transfers	3,813		3,813	3,813
Debt Service	550,130		550,130	550,130
Facilities Acq. & Improvements	649,000		649,000	649,000
Risk Management Reserve	295,000		295,000	295,000
Total Transfers Out/Overhead	1,497,943		1,497,943	1,497,943
Contingency	351,383			
Total Uses	7,264,204	408,367	6,009,610	6,912,820
Ending Fund Balance	2,532,375	(326,702)	4,378,968	3,574,206

Multnomah Education Service District
Fund 6- Operating Summary
For the Period Ending May 31, 2012

The Operating fund accounts for the indirect operating costs of the agency. In accordance with Oregon Revised Statute 334.177, 10% of local revenues from the Resolution Services fund are transferred to this fund. In addition, a maximum 10% overhead surcharge is applied to all program activities in the Contracted Services fund and credited to this fund.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
EXPENDITURE PERSPECTIVES				
By Department				
Non-Departmental			77,806	77,874
Administration	668,084	49,225	528,224	668,167
Facilities Services	1,565,490	116,201	1,429,645	1,518,082
Business Services	112,436	40,825	125,648	117,580
Human Resources	251,203	6,762	146,075	251,087
Communication Services	1,084,333	75,216	817,650	1,084,333
Technology Services	1,111,822	73,343	861,991	1,095,822
Special Education	185,105	14,023	158,142	185,105
Health & Social Services	213,682	16,416	183,414	203,105
Instructional Services	222,723	16,364	183,071	213,723
Total Expenditures by Department	5,414,878	408,375	4,511,666	5,414,878
By Function				
Support Services	5,414,878	408,375	4,511,666	5,414,878
Total Expenditures by Function	5,414,878	408,375	4,511,666	5,414,878
By Category				
Salaries	1,949,991	163,167	1,787,058	1,969,917
Associated Payroll Costs	1,105,030	82,150	918,335	1,067,226
Purchased Services	1,876,381	143,782	1,572,056	1,902,203
Supplies and Materials	433,476	19,276	234,217	425,532
Capital Outlay	50,000			50,000
Total Expenditures by Category	5,414,878	408,375	4,511,666	5,414,878

Multnomah Education Service District
Fund 7- Risk Management Reserve Summary
For the Period Ending May 31, 2012

The purpose of this fund is to pay for costs associated with risk management activities including payment of insurance premiums, activities to prevent or minimize exposure and pay for incurred losses. In addition, a PERS reserve has been established in this fund to supplement and help reduce the anticipated sharp increase in future PERS costs beginning in the 2011-12 fiscal year.

	<u>Revised Budget</u>	<u>Month to Date</u>	<u>Fiscal Year to Date</u>	<u>Projected Actual</u>
SOURCES AND USES				
SOURCES				
Beginning Fund Balance	337,145		573,937	573,937
Revenues				
Other Revenues	425,000	39,672	517,708	552,700
Total Revenues	425,000	39,672	517,708	552,700
Transfers In & Overhead Charges				
Operating Fund	295,000		295,000	295,000
Total Transfers In/Overhead	295,000		295,000	295,000
Total Sources	1,057,145	39,672	1,386,645	1,421,637
USES				
Total Expenditures	650,426	46,724	570,181	650,426
Transfers Out & Overhead Charges				
Operating	155,771		155,771	155,771
Total Transfers Out/Overhead	155,771		155,771	155,771
Total Uses	806,197	46,722	725,952	806,197
Ending Fund Balance	250,948	(7,050)	660,692	615,440
EXPENDITURE PERSPECTIVES				
By Department				
Administration	635,426	46,724	567,597	640,426
Human Resources	15,000		2,584	10,000
Total Expenditures by Department	650,426	46,724	570,181	650,426
By Function				
Support Services	650,426	46,724	570,181	650,426
Total Expenditures by Function	650,426	46,724	570,181	650,426
By Category				
Salaries	87,233	7,269	79,963	87,233
Associated Payroll Costs	42,543	3,625	39,612	42,543
Purchased Services	518,900	35,705	447,563	519,650
Supplies and Materials	1,750	125	3,043	1,000
Total Expenditures by Category	650,426	46,724	570,181	650,426