2017/18
District Budget Advisory Committee (DBAC)

Meeting Agenda - March 20, 2018
Location: FH 5971 Conference Room
Time: 1:30-3:00 p.m.

Note Taker: Carla Maitland

Time	Agenda Topic	Discussion Leader
1:30-2:00	New Proposed CCC Funding Formula Update	McElroy
2:00-2:30	Review 2016-17 Fiscal Self-Assessment	McElroy
2:30-2:45	Fiscal Year 2017-18 - 2nd Quarter Report	McElroy
2:45-3:00	Other	All

Handouts:
03/19/2018 - Email to CEO List Serv
2018-19 CCLC Budget Letter
2016-17 Fiscal Self-Assessment
Fiscal Year 2017-18 - 2nd Quarter Report

From: Chief Executive Officers <CEO-ALL@LISTSERV.CCCCO.EDU> on behalf of King, Brian <KingB@LOSRIOS.EDU>
Sent: Monday, March 19, 2018 7:09 AM
To: CEO-ALL@LISTSERV.CCCCO.EDU
Subject: Budget Letter from the League

Colleagues,

Attached is the budget letter the Community College League of California will send to the Legislature today. The letter reflects the broad principles contained in the evolving recommendations from the CEO Funding Formula Workgroup and also includes an overview of design principles that the CEO Board recommends should be incorporated in the development of online education. Special thanks to Lori Adrian and Bill Scroggins and the members of the Task Force they are chairing for their leadership in seeking feedback in the development of the concepts involving improving the online education ecosystem for California's community colleges.

Last week, the CEO Funding Formula Workgroup met with the Consultation Council to discuss the draft recommendations of the Workgroup. Though consensus is hard to find with respect to the funding formula, there was agreement that:

- The process is moving at an uncomfortably rapid pace with the initial proposal unveiled in mid-January;
- The initial framework and simulations were not workable given the wide swings in outcomes for colleges and districts;
- A two-year program transition funding period (hold harmless) with a multi-year phase in would provide opportunities to improve the formula based on data;
- Until simulations are available addressing the evolving recommendations, the discussion remains theoretical and abstract.

At this point, we have not received updated simulations. The CEO Funding Formula Workgroup will evaluate the simulations when they become available and continue to work with the Chancellor's Office to provide specific recommendations. The process remains very iterative, and much uncertainly remains. We will continue to keep you posted as new information becomes available.

Brian

Brian King
Chancellor
Los Rios Community College District
916-568-3021

March 16, 2018

Senator Holly Mitchell, Chair
Senate Budget Committee
State Capitol Room 5019

Assemblymember Phil Ting, Chair
Assembly Budget Committee
State Capitol, Room 6026

RE: Proposed 2018-19 California Community College Budget (6870-101-0001)

Dear Senator Mitchell and Assemblymember Ting:

On behalf of the Community College League of California (the League), we write to share our appreciation for your demonstrated support of our public community colleges. We also take this opportunity to offer recommendations as they relate to the 2018-19 Budget Proposal's impacts on community college districts. We are grateful for a budget that is poised to recognize and support the comprehensive mission and indispensable role of California's community colleges.

The League would like to offer the following considerations on specific proposals within the Governor's January Budget:

<u>*Transition to a New Funding Formula - $175 Million*</u>

The League believes it is the right time for thoughtful evaluation of the community college funding formula. Properly structured and adequately funded, a new funding model has the potential to move to a more accountable and stable system, ensuring that students have access to affordable, high-quality community colleges. Consistent with recommendations included in a joint report by the CEO Funding Formula Workgroup and the Chancellor's Fiscal Affairs Workgroup, the League recommends the following concepts for the Legislature to consider in a new funding formula framework:

Maintain California's Commitment to Accessible Quality Education

California's longstanding history of access to educational opportunities for individuals of all backgrounds from across all regions of the state should be protected. The current funding formula is based on the annual number of full-time equivalent students (FTES). However, this approach fails to provide stable year-to-year funding, especially for small or rural community colleges that experience frequent enrollment swings. The League urges the Legislature to adopt an apportionment model based on the higher of: (1) the current year FTES, or (2) a three-year average based on the total funded FTES of the most recent three years. This approach supports access and promotes long-range planning.

Thoughtful and Phased-In

An effective funding formula requires ongoing research and simulations. Consistent, data-informed analysis offers policymakers and practitioners a means to better understand the consequences of the metrics and permits the necessary adjustments. We urge the Legislature to adopt a framework that includes no less than two years of program transition and a sequential multi-year phase-in commencing with no greater than five percent outcome-based. This would allow districts to plan and make data-informed adjustments that enhance student success, preserves momentum for the implementation of Guided Pathways, and enables further research of the chosen metrics in a new formula.

Accurate Socioeconomic Definition Integrated with Success Metrics

Persistent attainment gaps cannot be measured in a vacuum. We advocate for a funding formula with two primary categories in order to achieve an integrated and comprehensive focus on the enrollment and success of economically disadvantaged students. By advancing a framework integrating both the enrollment and the success of underrepresented groups, a new formula can ensure equity and inclusion are at the forefront of district planning. Further, we urge the legislature to consider the Carl D. Perkins Career and Technical Education Act definition for economically disadvantaged students as it is a more accurately defines need by considering factors such as the College Promise Grant, Pell Grant, displaced worker, and CalWORKs.

Categorical Programs

Categorical programs have also been an important consideration of the Workgroups. Within California community colleges, there are 27 categorical programs with 10 designed to serve low-income students. Acknowledging elements of the Legislative Analyst Office's analysis, the League supports a recommendation by the CEO Funding Formula Workgroup to move toward a simplified and restricted program that supports accountability and local control. Specifically, the Workgroup recommends integrating Student Success and Support Services, Basic Skills, and Student Equity into a restricted categorical known as the Student Equity and Success program. This approach maintains a commitment to serving disadvantaged populations with equity-minded, student-centered supports. More importantly, a restricted categorical enables reporting alignment and maximizes services to students.

California Community College Online Education Opportunities

We support the Governor's proposal to explore innovative approaches for a redesigned public online ecosystem for California Community Colleges. With the goal of serving more Californians with accessible quality online instruction, we recommend design principles that:

- Support working learners by establishing a vehicle for system innovation;
- Advance Credit for Prior Learning and Competency based Education;
- Ensure integration and transfer of learning milestones within the system such as translation of competencies to credits across the entire system;
- Integrate the existing online ecosystem, including the Online Education Initiative and ongoing efforts of system colleges;
- Align with existing system frameworks such as Doing What Matters -Strong Workforce, and Guided Pathways;
- Apply regulatory relief, and design and delivery innovation to all colleges simultaneously, where and whenever possible;
- Efficiently leverages existing system infrastructure investments;
- Allow for consistent input and feedback from system colleges throughout the design and implementation process and/or includes the colleges in the design process throughout;
- Adopt a prototyping model wherein significant design changes (including further regulatory and system changes/modifications) are anticipated throughout implementation based on ongoing assessment; and
- Leverage the accreditation and regional business partnerships with existing colleges.

Support A Financial Aid Streamlining System

Complicated, outdated, manual financial aid processes create barriers to student enrollment and retention. Financial aid offices can simplify their entire student aid processing lifecycle by implementing software that streamlines the workflow. This effort would allow financial aid staff and advisors - a primary source of information for students to understand how to pay for college -to focus on providing students with supports like counseling and training workshops. As the Legislature considers several proposals that increase the scope and importance of financial aid administration, we urge that you invest $5 million in ongoing resources for financial aid software that enables a focus on advising rather than financial aid paper processing. We respectfully request that you consider an investment consistent with the attached *Financial Aid Streamlining for Student Success* proposal.

Bond and Capital Outlay Projects
In 2016, California voters approved a facilities bond providing a $2 billion infrastructure investment in California's community colleges. For the 2018-19 budget, the Governor proposed funding for only five new capital outlay projects; dismissing voter support for Prop 51. Our public community colleges require $42 billion over the next 10 years with $29.9 billion in unmet capital facility needs identified in the current Capital Outlay Plan. In recognition of this critical need, the Board of Governors approved 18 new projects as part of its 2018-19 Capital Outlay Spending Plan. Failure to fund these capital projects represents a missed opportunity to create jobs and to cultivate a skilled and educated workforce in communities throughout the state. We urge you to include funding for all projects approved by the Board of Governors in the 2018-19 budget. The community college capital outlay program has been very successful. Altering the program's proven process will be disruptive and confusing to colleges and counterproductive to the state as vital projects are unnecessarily delayed. Further, we urge the Legislature to increase the 2018-19 sale of Proposition 51 bonds to meet the backlog of projects across the state.

Cal Grants that Equitably Serve Community College Students and Open Educational Resources
Despite comprising two-thirds of the California higher education population, community college students receive only six percent of Cal Grant resources. Hundreds of thousands of otherwise eligible applicants currently go unserved, and most have family incomes below the federal poverty line. We respectfully request that you consider augmentations to the Cal Grant B award and an increase to the number of annually authorized Competitive Cal Grants. These investments will reach more low-income students and most importantly, increase persistence and completion.

We also urge the legislature to address students' growing textbook costs by supporting community college open educational resources (OER) expansion and availability. Today, textbooks comprise an estimated 40% of the total cost of attendance at community colleges. This continues to be one of the most pressing affordability issues college students face. Community colleges seek the establishment of a program to implement OER systemwide, coordinate state-level activities which OER availability, and to support local OER implementation.

Buy Down STRS and PERS Liabilities
Community colleges continue to be the state's best economic development strategy while supporting California's most underserved populations. However, colleges remain concerned about their capacity to maintain educational quality as costs rise. Increases to PERS/STRS contribution rates, energy costs, and health insurance rates contribute to ongoing cost pressures and are estimated to be as high as $800 million annually by 2021. General operating funds help stabilize and prepare colleges for drops in revenues so that educational services are not impacted during inevitable downturns in the economy.

Further, the League joins the many community college stakeholders in commending the Governor for supporting the 10.93 percent community college share of the Proposition 98 split in the 2018-19 proposal. Adherence to the statutory split allows both community colleges and K-12 to appropriately plan for the coming year while also removing competition for resources between the two segments.

The League is very grateful for the amount of time that both you and your staff dedicate to listening to the local perspectives we present, and we look forward to further collaboration as the budget discussions unfold. Thank you for considering our position and please do not hesitate to contact us if you have any questions.

Sincerely,

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cc:
Members, Senate Budget Subcommittee #1
Members, Assembly Budget Subcommittee #2
Hon. Kevin McCarty, Assembly Budget Subcommittee No. 2 Chair
Hon. Jay Obernolte, Assembly Budget Committee Vice Chair
Lark Park, Deputy Legislative Secretary, Office of the Governor
Chris Ferguson, Department of Finance
Maritza Urquiza, Department of Finance
Kimberly Rodriguez, Education Policy Director, Office of the Senate President pro Tem
Monica Henestroza, Principal Consultant, Office of the Assembly Speaker
Anita Lee, Consultant, Senate Budget and Fiscal Review Committee
Mark Martin, Senior Consultant, Assembly Budget Committee
Katie Sperla, Assembly Republican Consultant
Cheryl Black, Senate Republican Consultant
Edgar Cabral, Legislative Analyst's Office
Christian Osmena, Vice Chancellor, California Community Colleges
California Community College Trustees
Chief Executive Officers of California Community Colleges

FOOTHILL-DE ANZA
Community College District

SOUND FISCAL MANAGEMENT
Self-Assessment Checklist

For Fiscal Year Ended June 30, 2017
(Completed February 2018)

1. **Deficit Spending:** Is this area acceptable? Yes

Is the district spending within their revenue budget in the current year?
The California Community Colleges System Office uses the financial reports from our unrestricted general fund that encompass both the General Purpose Fund (Fund 114) and the Self-Sustaining Fund (Fund 115) for its analysis. The district focuses on the General Purpose Fund because this fund captures most of the district's operating revenue and expenditures.

This Sound Fiscal Management Self-Assessment Checklist summarizes activities in the General Purpose Fund for fiscal year 2016-17 and also projects balances for the fiscal year ending June 30, 2018.

For fiscal year 2016-17, the district projected a $6.3 million deficit of ongoing revenue versus planned expenditures. This structural deficit was permitted with the plan to close the gap between projected revenues and expenditures with one-time funds from the district's $32.4 million Stability Fund.

The district ended fiscal year 2016-17 with a reduction of $9.1 million net change in fund balance due primarily to the projected $6.3 million structural deficit and the reliance on one-time dollars to close part of the structural deficit.

Due to the state's Senate Bill 361 (SB361) stabilization funding formula, the district received full FTES (Full-Time Equivalent Student) apportionment funding from the state even though the district experienced a dramatic dip of 1,170 FTES in achieving its target base at year-end. Carefully managed one-time stability funds have allowed the district to reasonably delay implementing cuts to achieve a structurally balanced spending plan/budget to this point. But by the end of fiscal year 2016-17 and over the 2017 summer months, the district concluded that a specific plan to reduce expenditures to match reduced revenues would be necessary and ready to begin implementation in the new 2017-18 fiscal year.

At the Board of Trustees August 2017 Study Session, the vice chancellor, Business Services presented three-year budget simulations and a plan to balance the projected structural budget deficit within that time frame. It involves cutting ongoing expenses by a total of $10 million;

$2 million in 2017-18, $3 more million in 2018-19, and finally $5 million more in 2019-20. The simulation demonstrated that making these expenditure reductions while maintaining projected enrollments and associated apportionment, the structural deficit would be all but balanced by 2019-20.

For fiscal year 2017-18, the district has projected a structural budget deficit of approximately $10.4 million due to the reduced apportionment revenue and approximately $2.1 million in additional expenses for employer funded STRS/PERS contributions. The projected structural budget deficit is a planned spend-down of district Stability Fund reserves combined with a commitment to the aforementioned three-year plan to balance the structural deficit. The long-term strategies for the district will be to stabilize enrollments and the associated apportionment revenue, avoid future structural budget deficits, and maintain a strong Stability Fund reserve to offset any unforeseen revenue decline or unexpected/sudden significant expenditure increases. The approximate $26.1 million Stability Fund held in reserve and utilized at the direction of the Board of Trustees will be utilized to close the gap between revenues and expenses until a structurally balanced budget is secured.

As of second quarter, the projected balance for the stability fund at the end of fiscal year 2017-18 is approximately $15.8 million. The district projects to have approximately $13.1 million in unrestricted college/Central Services carryover, and restricted district carryover funds, and the requisite 5% General Fund Catastrophic Reserve (approximately $10 million). The state did provide a modest 1.56% COLA and a base apportionment increase of $4.2 million for Foothill-De Anza Community College District in the 2017-18 budget. However, the reduction in apportionment of approximately $6 million due to the enrollment decline in 2016-17 (impacting the 2017-18 budget revenue), virtually negated the new revenue the district might have been able to utilize to address the majority of the projected structural deficit. Therefore, the district did not realize an additional revenue source to pay for the annual inflationary increases experienced on an ongoing basis for existing obligations to our employee compensation structure such as step/column, professional awards, increased health benefit premiums, and the significant increases to STRS and PERS employer contributions.

Has the district controlled deficit spending over multiple years?

Yes. In 2014-15, the district experienced a positive net change in fund balance of $4.6 million, primarily due to increased non-resident tuition, a one-time mandated cost reimbursement, and a prior year apportionment adjustment; additionally, in accordance with GASB Statement No. 34, an adjusting entry to recognize the short-term liability of compensated absences resulted in a reduction of $3.4 million in the salaries expense category.

In 2015-16, the district started the year with a $3.3 million structural budget surplus. However, contract negotiations were underway with all bargaining units and after the retroactive settlement was officially approved, the structural surplus was negated. The district still achieved a year-over-year fund balance increase of approximately $9.4 million due to the one-time allocation of mandated cost reimbursement from the state of $15.1 million.

As noted earlier, the district approved the 2016-17 adopted budget with a structural budget deficit of $6.3 million (projected ongoing and one-time revenues against projected ongoing expenses). The projected structural budget deficit was part of a planned spend-down of the robust district reserves ($58 million).

For fiscal year 2017-18, the district has projected a $10.4 million structural deficit and spend down of the Stability Fund reserves. As previously addressed, the Board of Trustees has approved a plan to balance the projected $10 million structural deficit within the next three years through targeted budget expense reductions by both the college's and Central Services. Due to the most recent enrollment data available as of the 2017-18 Q-2 report which projects another decline in enrollment for this fiscal year of approximately 900 FTES, the office of district Business Services will be producing updated budget simulations that will inform the district as to what additional expenditure reductions will likely be necessary to close the projected structural deficit within the agreed upon three-year time frame.

Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?

Yes. During difficult budget years, the district reduces ongoing expenditures and sets aside one-time funds (e.g., the Stability Fund) to bridge budgeted deficits. At the same time, the district revises ongoing revenue and expenditure estimates to reflect changes as anticipated. The Board and the administration are keenly aware of the one-time nature of the stability fund as a short-term solution. They recognize the need to manage the size of the operating deficit that the stability fund backfills to maximize its availability. The stability fund serves as a valuable one-time strategic resource, providing time for planning to restore ongoing revenue or make permanent reductions to ongoing expenditures while delaying the impact on district operations and student support. Budgets are revised accordingly as new economic information becomes available.

Are district revenue estimates based upon past history?

District revenue estimates are based on a combination of: 1) enrollment estimates generated from collaboration between the district Business Services office and the campuses' enrollment management teams, 2) historical data, 3) the campuses' input on locally generated income, and 4) state assumptions on COLA, growth, any increases to base funding, the state funding formula (SB361), and lottery estimates, etc.

Does the district automatically build in growth revenue estimates?

No. The district builds the adopted budget's revenue based on the prior year's actual FTES earned. Growth or restoration funding is not included in the adopted budget until after it has been earned.

Additionally, when the district reports FTES below its base for a given year and receives stabilization funding (per SB 361), financial reports presented to the Board and district reflect the level of stabilization funding as one-time dollars for that year. In this way, commensurate with the lower level of FTES reported, it is clear for planning purposes that our true on-going apportionment dollars will be reduced the following year in our base apportionment allocation from the state.

2. Fund Balance: Is this area acceptable?

Yes, the district maintains and monitors a reserve fund (the Stability Fund) in addition to the recommended 5% catastrophic contingency fund. The stability fund is reviewed and funded on an annual basis contingent upon an external fiscal threat analysis and available data on future state funding allocations. In addition, the colleges and Central Services consistently maintain carryover fund balances totaling approximately $12 million annually.

Is the district's fund balance stable or consistently increasing?
Yes, the district's undesignated fund balance in the General Purpose Fund is stable, varying between $16 million and $36 million in excess of the 5% contingency reserve for the past five years (see attachment). This increase in the General Purpose Fund balance is intentional and a planned outcome of hard work and dedication by many departments, reductions in operating expenses, restricted spending on discretionary "B" budget, and savings from positions held vacant throughout the year. These funds are designated to close operating deficits on a one-time basis, to preserve our staffing levels as long as possible, and to be available to offset any cuts on a one-time basis in future fiscal years. For the 2016-17 fiscal year, the fund balance was projected to decrease between $5 to $8 million based on the planned spend down of the fund through the approval of employee compensation increases provided in fiscal year 2015-16 and added operational expenses. The final fund balance reduction was $9.1 million.

Is the fund balance increasing due to ongoing revenue increases and/or expenditure reductions?
See question and answer above.

3. Enrollment: Is this area acceptable?
No. Enrollment has experienced a continued decline dating back to fiscal year 2009-10.

Has the district's enrollment been increasing or stable for multiple years?
District enrollment declined in 2013-14, by 330 FTES from 2012-13. Enrollment again declined slightly in 2014-15, by 88 FTES from 2013-14. This modest decline seemed to indicate the FTES decline due to workload reduction and the constraints imposed by course repeatability had finally established the "new norm" in terms of enrollment demand from our traditional service areas.

Disappointingly, 2015-16 enrollments declined another 210 FTES from prior year totals. Since this was still a modest decline, the district further committed to focusing efforts to restore lost FTES from the prior few years.

For fiscal year 2016-17, the district experienced a highly unexpected FTES decline of 1,176 FTES for the year resulting in an approximate $6 million reduction to revenue. Productivity targets at both colleges were allowed to drop over the course of the year in an effort to restore lost FTES to our base. But increased efforts in recruitment, marketing, and extensive contact with currently enrolled students did not mitigate the decline.

As of the P-1 report for 2017-18, the district is very disappointingly experiencing another dramatic projected decline of approximately 900 FTES for the year. While the colleges are making all best efforts to restore some of the FTES decline before the final attendance reporting period, we will be reflecting the FTES decline and the corresponding reduction in apportionment revenue in the 2018-19 Adopted Budget. This will result in an approximate $4.5 to $5 million reduction to next year's revenue.

The district has adequate dollars ($23.7 million) in the stability fund to offset the revenue loss for 2018-19. **However, the district's plan to balance the structural deficit within the next three years and still maintain an acceptable balance within the Stability Fund, will need to be updated and implemented expeditiously to account for this new, unanticipated loss of ongoing revenue.**

Are the district's enrollment projections updated at least semiannually?
Yes, enrollment projections are reviewed and updated at the beginning of every academic quarter.

Are staffing adjustments consistent with the enrollment trends?
The Board has previously approved a "growth model" which funds additional positions, both teaching and support staff, in direct proportion to FTES growth. While the law requires an increase in full-time faculty consistent with FTES increases, the district's model uses the same rationale for growth and reduction of non-teaching positions.

Conversely, the district demonstrated its commitment to adjusting staffing levels to available resources during the dramatic initial loss of FTES in 2011-12 and 2012-13 after workload reductions and repeatability restrictions were imposed by the state. Given the dramatic reduction in FTES in 2016-17 and projected in 2017-18, and as a function of **the three-year plan to eliminate the structural budget deficit**, the district will again be forced to adjust staffing levels to become consistent with how much apportionment is earned by the FTES reported.

Does the district analyze enrollment and Full-Time Equivalent Students (FTES) data?
Yes, every quarterly report includes an analysis of FTES and productivity. In addition to this report to the Board, the Office of Institutional Research generates frequent reports, which are shared with the enrollment management teams and senior staff at both campuses. The Office of Institutional Research has recently been developing some new (and extremely well received by the colleges) productivity reports that assist the deans in class schedule decisions to maximize highly enrolled classes and for offering the most in-demand courses. These reports are generated beginning several weeks before each quarter in order to facilitate trends analysis and to display comparative data. District staff also have access to an FTES database. This database shows enrollment trends down to the individual class and instructor level and can be aggregated by department, division, and college.

Does the district track historical data to establish future trends between P-1 and Annual for projection purposes?
Yes, the Chief Instructional Officer at each college is responsible for forecasting winter and

spring enrollment at P-1. It is through this analysis that the "annualizer" is adjusted on the Apportionment Attendance Reports (CCFS-320) to ensure consistency with projections.

Has the district avoided stabilization funding?

No. Dating back to fiscal year 2012-13, we received stabilization funding of $7.5 million due to a decline of 1,683 FTES. In 2013-14, we experienced a decline of 330 FTES and, in 2014-15, a further small decline of 88 FTES, triggering stabilization funding again.

In 2015-16, we experienced a modest decline of 210 FTES. The district was unpleasantly surprised by another FTES decline of 1,176 in 2016-17 resulting in stabilization funding for both years. As of P-1 for the 2017-18 fiscal year, we are projecting another significant decline of approximately 900 FTES compared to the prior year, which will again trigger stabilization funding for fiscal year 2017-18.

Both colleges are developing schedules to maintain productivity at the budgeted level, and management efforts are focused on maximizing FTES restoration.

Unrestricted General Fund Balance: Is this area acceptable? Yes
(See response above to #2. Fund Balance)

Is the district's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level (5% of the total unrestricted general fund expenditures)?

Yes, the district's unrestricted general fund balance has consistently been maintained above the recommended minimum prudent level of 5%. The California Community Colleges System Office requires that we report the unrestricted general fund balance and other required financial information in the Annual Financial and Budget Report (CCFS-311). The unrestricted general fund balance includes the General Purpose Fund (Fund 114) and the Self-Sustaining Fund (Fund 115). The unrestricted general fund balances for the past five years are shown below:

Fiscal Year	Actual
2012-13	29.6%
2013-14	28.7%
2014-15	30.0%
2015-16	31.3%
2016-17	27.4%

Is the district's unrestricted fund balance maintained throughout the year?

Yes, the district's unrestricted fund balance was maintained at or above 27% of the total unrestricted general fund expenditures in any given month throughout fiscal year 2015-16. It is our ongoing strategic plan to retain a portion of the general fund balance as a stability fund to offset unforeseen operational expenses and to delay budget reductions while the district adjusts expenditures to revenues. Consistent with the stability fund's purpose, the $9.1 million operating deficit incurred in 2016-17 was absorbed by the stability fund.

4. Cash Flow Borrowing: Is this area acceptable? Yes

Can the district manage its cash flow without inter-fund borrowing?
Yes, during the past six years, the district maintained a positive cash flow in the unrestricted general fund without inter-fund borrowing.

Is the district repaying TRANS and/or borrowed funds within the required statutory period? The district has not borrowed funds through a TRANS since fiscal year 1996-97 when it issued a TRAN in the amount of $4.4 million. The district did not issue a TRAN in fiscal year 2016-17.

5. Bargaining Agreements: Is this area acceptable? Yes

In fiscal year 2015-16 the state budget included a 1.02% cost-of-living revenue adjustment. The Board agreed to a 1.02% COLA, a 1.98% salary adjustment (both retroactive to July 1 for the 2015-16 year), and several additional compensation increases for all employee groups. This was in recognition of several years of zero COLA adjustments to the bargaining unit salary schedules and because the district has maintained a significant unrestricted general fund balance to offset increased spending until revenues match expenses. The bargaining unit agreement spanned both fiscal years 2015-16 and 2016-17 and included a salary adjustment of 0.60% (equivalent to the Governor's January Budget proposal of 0.47% COLA plus an additional 0.13% effective 07/01/2016) with the option to re-open compensation negotiations for 2016-17 if the district received additional unrestricted funding beyond that proposed in the governor's January budget. Ultimately, zero COLA and no new unrestricted base funding was approved in the final fiscal year 2016-17 state budget, so no additional compensation was considered.

Bargaining unit negotiations for fiscal year 2017-18 are ongoing and will not likely be concluded before later in the spring. District administration has fully advised all constituencies and bargaining unit leadership of the challenge of managing the structural budget deficit and the dramatic enrollment decline in 2016-17 and now again in 2017-18. As previously noted, the base apportionment increase and 1.56% COLA provided in the 2017-18 budget will be more than off-set by the revenue loss due to the enrollment decline in 2016-17. Further, any potential increase in revenue in the proposed 2018-19 budget will also likely be completely negated by the projected 900 FTES decline for 2017-18.

Since the new CalPERS administered health benefits plan was implemented in July 2012, as recommended by the Joint Labor Management Benefits Committee (JLMBC), and approved by the bargaining units, plan rates are now assessed by CalPERS and are more stable/predictable than when the district was fully self-insured for the health benefits program. Consequently, our budgeted health benefits expense category has been predictably stable for the past several years.

6. **Unrestricted General Fund Staffing**: Is this area acceptable? Yes

Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?
Permanent staffing is managed through position control and is budgeted from ongoing revenue.

As noted above, in the spring of 2016, the Board of Trustees approved a 1.02% COLA, a 1.98% salary adjustment, and several additional compensation increases for all employee groups retroactive to July 1, 2015 for fiscal year 2015-16 and fiscal year 2016-17. The district was able to approve the additional COLA and compensation packages as part of a planned spend down to robust reserves that will cover the increase for several years. However, this plan did not take into account the unanticipated enrollment decline in 2016-17 and now again projected for 2017-18.

It is fully anticipated that implementation of the aforementioned three-year plan to balance the structural deficit will require elimination of a significant number of full time positions currently included in the Adopted Budget. As of the writing of this report, the specifics of which and how many positions will need to be eliminated is not yet specified. The colleges and Central Services have received their budget reduction targets and are developing the details of how the reductions will be made to begin implementation in the 2018-19 Adopted Budget. As noted earlier, the 2018-19 Adopted Budget will reflect $5 million in ongoing budget cuts and the 2019-20 Adopted Budget will include an additional $5 million in budget cuts to reach the $10 million target established by the Board. However, the target cuts will likely require an increase to recognize the 2017-18 enrollment decline and corresponding reduction in 2018-19 apportionment.

As a matter of practice for funding new positions that are not backed with new ongoing revenue, other operational budgets are reduced to fund the new ongoing contract salary positions and the one-time carry-over or stability fund reserves are used to replenish the operational accounts on a one-time basis. Additionally, the colleges and Central Services have committed to cut expenses in other areas of the budget as required to balance the budget in the out years.

Is the percentage of district general fund budget allocated to salaries and benefits at or less than the statewide average (i.e., the statewide average for 2003-04 is 85%)?
Yes. For fiscal year 2017-18, the district is budgeting 82.7%.

7. **Internal Controls**: Is this area acceptable? Yes

Does the district have adequate internal controls to ensure the integrity of the general ledger?
Yes, in addition to the annual financial audit report, which includes a report on internal control over financial reporting and tests of compliance with certain provisions of laws,

regulations, contracts, grant agreements and other matters, the district contracted with independent certified public accounting firms over the past years to perform operational reviews on Measure E Overhead, De Anza College Cash Handling Procedures, District Procurement Card, Foothill College Cash Handling Procedures, Measure C Overhead, Police Parking Fees Cash Handling Procedures, De Anza College Facilities Rental Cash Handling Procedures, Foothill College Cashiering Services Petty Cash/Change Fund, ERP Security, and Foothill College Kinesiology, Facilities Rentals, and Cash Handling Procedures. In fiscal year 2014-15, the district contracted for an operational review of payments related to independent contractors, student employment, awards, and scholarships.

In fiscal year 2016-17, the District performed an evaluation of the Measure C Bond accounting practices with assistance from an outside consultant to ensure continuous compliance, streamlining of processes and efficient use of resources as the bond program approached close-out. Recommendation for improvements are in process and slated to be fully implemented by June 30, 2018.

Does the district have adequate internal controls to safeguard the district's assets?
Yes, the district has written cash handling procedures for De Anza College and Foothill College as well as for district petty cash to safeguard cash. In addition to the required annual audit, the district goes above that requirement and contracts for operational reviews at its various cash collection points. The district also has a Board Policy and an Administrative Procedure on Capitalization of District Property and on Disposal of District Property.

8. Management Information Systems: Is this area acceptable? Yes

All modules of the Ellucian/Banner Enterprise Resource Planning (ERP) system have been fully implemented and are functioning satisfactorily, including: Web Portal, Finance, Human Resources and Payroll, Financial Aid, Student, Advancement, Document Management System, and Degree Planning and Audit.

Custom reports for all modules are maintained and continue to be developed, providing the specialized data needed for our department functions. Management is confident the continued creation and refinement of custom reports from Ellucian and the district's Educational Technology Services (ETS) division are meeting all critical data reporting requirements. Management has a high degree of confidence in the integrity and accuracy of the data throughout the ERP. District administration, working closely with ETS and external consultants, continues to refine data collection and reporting processes to increase the return on investment from the ERP.

The ETS management team, along with management and stakeholders from throughout the district, have begun a major upgrade to the ERP system that is slated for completion in December of 2018. The ERP will move to the Ellucian "cloud" environment supported by Amazon Web Services. This move will result in a lowering of the total cost of ownership to maintain the ERP while improving reliability and increasing information and application security. This will ensure the district continues to have access to the most advanced data collection and reporting features available from Ellucian.

9. **Position Control:** Is this area acceptable? Yes

Is position control integrated with payroll?
Yes, there is a very strong position control system in place that requires the assignment of a unique position number and designated funding for each position hired.

Does the district control unauthorized hiring?
Yes, all positions to be re-filled, or newly created positions, are assigned a position control number. Each "staffing requisition," which is necessary to start the hiring process, must be approved by Chancellor's Staff and must have a valid position control number.

Does the district have controls over part-time academic staff hiring?
Yes. Each year, the district budgets the dollar amount to be allocated for part-time faculty based on total FTES, less the number of full-time faculty, and driven by the agreed-upon productivity numbers. The colleges are responsible for developing a schedule of classes aligned with the agreed-upon budget. Changes in FTES targets or productivity budgets need to be agreed upon at the district level so budgets can be adjusted accordingly.

Due to the multi-year decline of enrollments (between 2011-12 and 2016-17), the district has established additional funds (one-time funds identified as Enrollment Stimulus funding) for use by the colleges to hire additional part-time faculty and offer more sections, even at the sacrifice of reaching established productivity targets. However, as of 2017-18, the district has determined that offering more class sections with the corresponding reduced productivity has not resulted in improved enrollments. To the contrary, 2016-17 enrollments declined significantly. The district has requested the colleges work to achieve their productivity targets to stay within the established part-time faculty budgets while maximizing enrollments as much as possible.

While there has been no formal administrative procedure in recent years for penalties or incentives if the colleges varied from FTES or productivity targets, there has been continuous adherence to these budgets with very little variance.

Budget Monitoring: Is this area acceptable? Yes

Is there sufficient consideration given to the budget, related to long-term bargaining agreements?
Yes. (See Question 6, above.)

Are budget revisions completed in a timely manner?
Yes, budget revisions are processed within the fiscal month they are received and are subject to the board's review and approval with each quarterly report.

Does the district openly discuss the impact of budget revisions at the board level?
Yes, the board receives a complete reconciliation of all revisions and transfers processed in

each quarter, and the Vice Chancellor of Business Services, Executive Director of Fiscal Services or the Director of Budget Operations responds to inquires as requested.

Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?
Yes, the board receives and approves a complete reconciliation of all revisions and transfers processed in each quarter, as well as the Quarterly Financial Status Reports (CCFS-311Q), which includes a summary of costs due to collective bargaining agreements.

Has the district's long-term debt decreased from the prior fiscal year?
No, in November of 2016, the district issued certificates of participation (COPs) in the amount of $27.76 million. The additional new long-term debt is to refinance existing COP and lease debt and to finance an additional $22 million to pay for the cost of a major seismic renovation to the De Anza College Flint Center garage.

Due to the availability of lower interest rates, the annual debt service for the existing COP payments was lowered by $267,000 annually. The prior COP debt will still be retired on the same schedule within the 2021-22 fiscal year. The finance schedule for the new money extends to the 2041-42 fiscal year for full repayment at approximately $1.6 million annually.

Has the district identified the repayment sources for the long-term debt?
Yes, the long-term debt is financed through both special revenue sources and budgeted general fund monies. The parking structure debt is financed through parking fee revenue and general funds budgeted annually. The Foothill College Campus Center debt and the De Anza College Campus Center debt are financed through campus center use fees. The Foothill College Bookstore equipment acquisition is financed through the Foothill College Bookstore operations.

Does the district compile annualized revenue and expenditure projections throughout the year?
Yes, included in each quarterly report for each fund, annualized projections are presented to measure budget performance and project ending fund balance for each fund. The District Budget Committee and the Audit and Finance Committee review revenue and expense projections at the end of each quarter before the Board of Trustees approves them in the quarterly reports.

10. Retiree Health Benefits: Is this area acceptable? Yes

The most recent actuarial report, dated April 16, 2016, represented a valuation of our retiree health program as of July 1, 2015. The actuarial report was in effect for fiscal year 2016-17 audited financial statements as reflected in the June 30, 2017 audit report. We are required to update this report every two years.

On November 24, 2017, the new actuarial report was prepared with a valuation date of June 30, 2017 and calculated the district's Other Post-Employment Benefits (OPEB) liability at

$107.7million in accordance with the new GASB 74 and 75 standard, which moves OPEB accounting and financial reporting toward the same model as pensions under GASB 67 and 68. The two main changes that affect the district's planning and financial reporting are recognizing the net OPEB liability on the balance sheet of the audited financial statements and the elimination of the Annual Required Contribution (ARC) as a measurement of funding the liability. The new reporting standard will be reflected in the June 30, 2018 audited financial statements.

Does the district have a plan for addressing the retiree benefits liabilities?
Yes, the Board of Trustees adopted a plan at the November 6, 2006 board meeting to fully fund the ARC as calculated in the August 2006 actuarial study. The current OPEB funding plan will be reviewed considering the new GASB 74 and 75 impacts. Any potential proposed adjustments would be recommended to the Board of Trustees to ensure the district meets the long-term funding objectives.

In 2009, after an exhaustive evaluation process, the district opted to leave the Community College League of California (CCLC) Retiree Joint Powers Authority and join the California Employers' Retiree Benefit Trust (CERBT), an irrevocable trust, as sponsored by the California Public Employees Retirement System (CalPERS). In January 2010, the district transferred all funds from the CCLC program to a newly established CERBT account. As of June 30, 2017, the District's CERBT account balance was $16,950,906 and for the last three years, the district has contributed $1.5 million toward its OPEB funding plan. When applied to the previously cited OPEB liability of $107.7 million, the CERBT balance reduces the liability to the net amount of $90.7 million.

11. Leadership/Stability: Is this area acceptable? Yes

Has the District experienced recent turnover in its management team (including the Chief Executive, Chief Business Officer, and Board of Trustees)?
No. Dr. Miner became chancellor of the Foothill-De Anza Community College District on August 1, 2015. She has worked as a higher education administrator since 1977 and in the California Community Colleges since 1979. She has held numerous administrative positions in instruction, student services, and human resources at City College of San Francisco, the California Community Colleges Chancellor's Office, De Anza College, and most recently as president of Foothill College from 2007 through 2015. All other members of the Chancellor's Staff have held their positions since at least 2012.

The Board's two newest trustees, Landsberger and Wong, elected in November 2016 have now served for over a full year. They have integrated well with the three senior trustees that have served on the Board for over ten years.

12. District Liability: Is this area acceptable? Yes

Has the district performed the proper legal analysis regarding potential lawsuits that

may require the district to maintain increased reserve levels?
The Risk Management Department is the centralized location of risk management activity that is decentralized across the district. This office reports directly to the Director, Purchasing. By maintaining regular communication with administrators throughout the district, the Director, Risk Management works to identify and mitigate potential liabilities and/or litigation. For the most part, such situations are prevented from becoming legal actions by careful decision-making, foresight and proactive procedures. The number and cost of non-litigated claims against the district was small. External legal counsel is engaged when necessary. The district, in the areas of human resources issues and construction management, maintains relationships with specialized legal counsel.

13. Reporting: Is this area acceptable? Yes

Has the district filed the annual audit report with the Systems Office on a timely basis?
Yes, and for fiscal years 2012-13 through 2016-17, the annual audit report has been brought first to the Audit and Finance Committee and then to the Board of Trustees in the month of December, following the end of the fiscal year.

Has the district taken appropriate actions to address material findings cited in their annual audit report?
Yes, each year we discuss any audit findings and recommendations of the fiscal year just ended with the Audit and Finance Committee. Subsequently, in March of every year, we provide the Audit and Finance Committee with the status of the management's response and action taken to correct these findings.

The external auditor's report issued a clean, unmodified opinion for all accounting activity regarding financial and compliance reporting for fiscal years 2014-15 and 2016-17. In fiscal year 2014-15 there were no findings or management recommendations. In fiscal year 2015-16, there was only one finding noted in the audit report for To Be Arranged (TBA) courses and one management recommendation regarding Accounts Payable reporting. De Anza College provided a response to the finding and has implemented the appropriate procedures to address how TBA courses and their related hours are captured and reported. The district has also identified a corrective action plan to remedy the Accounts Payable reporting exception.

In 2016-17, there was only one finding noted which was a repeat finding for TBA hours for which De Anza provided a response to outline how they will remedy the compliance exception in the future.

In their required communication to the Board of Trustees via the governance letter, the auditors included their observations and recommendations to management that were not significant enough to be cited as an audit finding. There were four areas included in the letter, one for Foothill College regarding Instructional Service Agreements (ISAs) and three for the District relative to review and approval processes, wire transfers and master vendor file maintenance. Both the District and Foothill College are evaluating the observations to determine how to best operationalize the recommendations.

Has the district met the requirements of the 50 percent law?

Yes, for fiscal years 2012-13 through 2016-17, the district has met the requirements of the 50% law. The 2016-17 percentage (53.82%) was slightly lower than 2015-16 because prior year totals contained negotiated current year and retroactive instructional salary and benefit cost increases and higher CalSTRS employer contribution rates that translated to increased costs required to be recognized in accordance with GASB Statement No. 68.

The percentage of Instructional Salary Costs to Current Expense of Education for each of these years is:

Fiscal Year	Percentage
2012-13	51.45%
2013-14	52.78%
2014-15	54.16%
2015-16	55.52%
2016-17	53.82%

Have the Quarterly Financial Status Reports (CCFS-311Q), Annual Financial and Budget Reports (CCFS 311), and Apportionment Attendance Reports (CCFS-320) been submitted to the System Office on or before the stated deadlines?

Yes, for the years 2012-13 through 2016-17, each of these quarterly and annual reports has been submitted to the System Office by the required deadlines.

FOOTHILL-DE ANZA
Community College District

2017-2018

SECOND QUARTER REPORT

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FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT

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FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT

2017-2018
SECOND QUARTER REPORT

Table of Contents

OTHER FUNDS

SUPPLEMENTAL INFORMATION

2017-18
Second Quarter Report

SUMMARY OF MAJOR CHANGES

The district has completed its financial analysis for the second quarter of operation (July 1, 2017 through December 31, 2017). Enclosed in this document is reporting for all of the funds the district maintains as authorized by the California Education Code. The short description and analysis at the beginning of each fund report explains the purpose of the fund and recent financial trends that may have changed from the adopted budget. Also, included in this report is a supplemental information section that contains the Quarterly Financial Status Report (CCFS-311Q). The analysis of the General Purpose Fund follows.

GENERAL PURPOSE FUND REVENUE

Revenue, Enrollment Assumptions, and Productivity

Our overall funding includes both Redevelopment Agency (RDA) and Education Protection Account (EPA) revenue projections, in addition to the traditional state revenue funding sources generated from state apportionment, enrollment fees, and property taxes. Consequently, all revenue reports from the state are closely monitored throughout the year in anticipation of any shortfall in total state funding. In the second quarter, the state notified districts of an unanticipated one-time state mandated cost reimbursement payment. Therefore, we are including a one-time mandated cost claim reimbursement of $725,411 in the second quarter projections.

Resident Enrollment
Under the 2017-18 adopted budget assumptions, we anticipated serving 30,588 resident and non-resident FTES. This number reflected resident enrollment of 25,967 FTES and non-resident enrollment of 4,621 FTES.

In October 2017, the 2016-17 Apportionment Attendance Report was recertified to include a reduction of seven non-resident FTES, for a recalculated total of 30,581 resident and non-resident FTES. The P-1 320 attendance report filed in January estimates that we will report a decrease of approximately 859 FTES by the end of this fiscal year (see Table 2). Due to the stabilization component included in Senate Bill 361, we will still receive apportionment for 2017-18 based on the 25,968 resident FTES generated in 2016-17. However, our 2018-19 base funding will be lower by approximately $4.3 million dependent upon the final FTES reporting at P-Annual. The colleges and the enrollment management team continue to carefully monitor student enrollment, analyze course offerings, and heighten marketing and recruitment efforts to maximize access for students and to restore the FTES decline from 2016-17.

Non-Resident Enrollment
We are projecting a 237 FTES decline in non-resident enrollment, but an increase in the non-resident tuition fee for 2017-18 (see Table 2) results in no change to the projected revenue. Because this revenue stream can be more volatile and is dependent on many external factors, such as fellow districts competing in the area market, access to visas, and exchange rates, we closely monitor our non-resident revenue throughout the year.

Productivity
Productivity for fiscal year 2017-18 is budgeted at 509 (WSCH/FTEF). However, we anticipate a drop in the budgeted productivity calculation by year-end due to declining enrollment and decisions made earlier

in the academic year to maintain lower-enrolled classes to capture all available FTES. This drop in productivity will be primarily reflected in the increased expense for part-time faculty salaries and benefits. As of second quarter, lower-enrolled classes were dropped and we were able to successfully redirect most of those FTES into other classes. As of spring quarter, the colleges are making all efforts to return productivity to the targeted 509 level to minimize the projected over-budget expenditures in the part-time faculty account. The enrollment management teams are carefully monitoring student enrollment and course offerings to maximize access for students while strategically maintaining the projected productivity.

GENERAL PURPOSE FUND EXPENSE

Certificated Salaries

Due to a combination of increased costs in part-time faculty salaries and benefits, and savings from full-time faculty vacancies, we are projecting an approximate $850,000 in net additional one-time expense in this category. This increased cost will be closed out to the district-wide at year-end.

Classified Salaries

We are currently projecting approximately $765,000 in one-time savings to this category due to the net of float from vacant classified positions. Traditionally, any float from vacant classified and management positions is transferred to the colleges as additional one-time 'B' budget.

Benefits

We are currently projecting approximately $50,000 in increased benefits costs.

Supplies and Capital Outlay

At this time, we are not estimating any changes to these expense categories.

Operating Expenses

At this time, we are not estimating any changes to the Operating Expenses category.

Transfers/Other

At this time, we are not estimating any changes to the Transfers/Other category.

Fund Balance

The net change to fund balance is the result of the combination of increases and decreases to revenue and expenses as explained in each line item noted above.

Based on all assumptions of revenue and expenses, the 2017-18 ongoing budget is forecast to have a structural deficit of approximately $7.78 million (see Table 1).

We are projecting a stability fund balance of $16.06 million at the end of the 2017-18 fiscal year. This does not include the estimated $1 million in one-time cost savings as projected in the three-year budget model projection.

We are projecting to end the fiscal year with a $41.06 million fund balance, for which $22.99 million is designated as follows: $13.11 million for College, Central Services and District-wide carryover after directing $2 million to meet the 2017-18 budget cuts target, and $9.88 million for the 5% mandatory reserve, leaving the previously mentioned $16.06 million balance designated for the Stability Fund.

The two colleges and Central Services continue to work through plans to reduce ongoing budgeted expenditures consistent with the three-year plan to address the structural deficit as presented to the Board in the August 2017 study session. The colleges and Central Services are utilizing a one-time fund balance to cover the $2 million 2017-18 budget cut target. However, the 2018-19 Adopted Budget is scheduled to reflect the targeted $5 million in budget reductions ($2 million from 2017-18 and $3 million from 2018-19) with ongoing budget cuts. The final $5 million in targeted cuts will be reflected in the 2019-20 Adopted Budget, bringing the total ongoing budget reductions to the planned $10 million target.

The current plan's estimates were contingent upon several factors such as stable enrollment and spending within allocated budgets. The 2017-18 P-1 attendance report projects a decline in FTES by the end of the fiscal year by approximately 3.3%. This will result in a corresponding loss of revenue projected for 2018-19. Therefore, the district will need to consider adjusting the overall targeted budget cuts in the next three years to account for this change in revenue projections.

The economic outlook for the state remains stable and has not changed since the first quarter 2017-18 report. The Governor's proposed January budget for fiscal year 2018-19 indicates that we will not see any new budget cuts and proposes a 2.51% COLA. However, the budget also recommends a new student success and income equity-based funding formula for the California Community College (CCC) system. The details of how the new funding metrics will apply to the districts are still being developed and analyzed.

Trailer bill language was released in early February that begins to outline how funds in 2018-19 and out years will be allocated. Department of Finance (DOF) has developed details of the new funding formula with minimal input from the CCC system. The basic structure includes 50% funding based on our traditional FTES production, 25% based on the number of low-income students served (College Promise and PELL grant eligible) and 25% based on student success (degree, certificate and transfer metrics). However, there are many questions being asked by district representatives and all constituencies pertaining to which data will define the new metrics, how the new funding formula will be calculated, and the impact on individual districts.

We are awaiting simulations from DOF and the Chancellor's office in the coming weeks to learn more. From now until the May Revise budget, input from the CCC system to DOF and advocacy with our legislators will be critical to ensure reasonable and equitable funding allocations to all districts. We will keep the Board informed of important developments impacting revenues, expenses and news on the new funding formula throughout the second half of this fiscal year.

Table 1

Summary of Net Change in Fund Balance and Carryover

Projected Revenue vs. Projected Expenses	
Beginning Balance (Adjusted), July 1, 2017	**$ 48,851,802**
Revenue	$ 189,969,664
Expenses and Transfers/Other	(197,751,881)
Net Change in Fund Balance (Projected)	**$ (7,782,217)**
NET FUND BALANCE, June 30, 2018	**$ 41,069,585**

Projected Ending Fund Balance as of June 30, 2018	**$ 41,069,585**
Less: Designated "B" Budget Carryforwards	
Foothill 'B' Restricted	$ (4,313,689)
De Anza 'B' Restricted	(4,394,082)
Central Services 'B' Restricted	(1,583,727)
'B' Budget Carryforwards	**$ (10,291,499)**
Less: District-Wide "A" Restricted Carryforwards	$ (2,825,881)
'A' Restricted Carryforwards	**$ (2,825,881)**
'A' & 'B' Carryforwards	**$ (13,117,380)**
Less: 2017-18 Cuts Target	
Foothill	$ (700,000)
De Anza	(1,000,000)
Central Services	(300,000)
2017-18 Cuts Target	**$ (2,000,000)**
Less: Adopted Budget Reserves @ 5% (Restricted)	$ (9,887,594)
Total	**$ 16,064,611**
Projected 2018-19 Stability Fund	**$ 16,064,611**

Table 2
Analysis of FTES

13-14 P-Annual Recalc	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	16,827	0	16,827	2,672	19,499
Foothill	10,288	326	10,615	1,919	12,533
Total	27,115	326	27,441	4,591	32,032

FTES Below Budget at P-A ReCalc (Funded FTES)	-330
%	-1.2%
Funding Lost in 14-15	($1,486,845)

14-15 P-Annual	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	16,663	0	16,663	2,829	19,493
Foothill	10,335	354	10,690	1,975	12,665
Total	26,999	354	27,353	4,805	32,158

FTES Below Budget at P-A (Funded FTES)	-88
%	-0.32%
Funding Lost in 15-16	($406,272)

15-16 P-Annual	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	16,226	0	16,226	2,910	19,136
Foothill	10,532	385	10,917	1,893	12,810
Total	26,758	385	27,143	4,803	31,946

FTES Below 14-15 P-Annual at P-A (Funded FTES)	-210
%	-0.8%
Funding Lost in 16-17	($966,230)

16-17 P-Annual Recalc	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	15,341	0	15,341	2,857	18,197
Foothill	10,178	449	10,627	1,757	12,384
Total	25,519	449	25,968	4,614	30,581

FTES Below 15-16 P-Annual at P-A (Funded FTES)	-1,175
%	-4.3%
Funding Lost in 17-18	($5,876,950)

17-18 Adopted Budget	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	15,340	0	15,340	2,864	18,204
Foothill	10,178	449	10,627	1,757	12,384
Total	25,519	449	25,967	4,621	30,588

17-18 P-1	Resident Credit	Non-Credit	Total Apportionment	Non-Resident	Total
De Anza	14,372	0	14,372	2,612	16,985
Foothill	10,203	532	10,736	1,765	12,501
Total	24,576	532	25,108	4,377	29,485

FTES Below 16-17 P-A ReCalc at P-1 (Funded FTES)	-859
%	-3.3%
Potential Loss of Funding in 18-19	($4,297,300)

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FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 114 - GENERAL PURPOSE

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	21,788,139	21,788,139	6,891,278	32%	22,513,550	(725,411)
Local Revenue	167,197,954	167,456,114	81,498,501	49%	167,456,114	0
TOTAL REVENUE	**$ 188,986,093**	**$ 189,244,253**	**$ 88,389,779**	**47%**	**$ 189,969,664**	**$ (725,411)**
EXPENSES						
Certificated Salaries	$ 86,191,895	$ 86,428,944	$ 39,504,185	46%	$ 87,278,678	$ (849,734)
Classified Salaries	37,392,242	37,524,233	18,361,731	49%	36,759,667	764,566
Employee Benefits	46,375,732	46,439,134	20,034,181	43%	46,489,577	(50,443)
Materials and Supplies	3,874,610	4,022,368	1,213,268	30%	4,022,368	0
Operating Expenses	18,295,852	15,668,711	9,088,673	58%	15,668,711	0
Capital Outlay	672,538	1,000,904	188,493	19%	1,000,904	0
TOTAL EXPENSES	**$ 192,802,869**	**$ 191,084,294**	**$ 88,390,530**	**46%**	**$ 191,219,905**	**$ (135,611)**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 27,647	$ 27,647	100%	$ 27,647	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	50,000	50,000	50,000	100%	50,000	0
Transfers-out	(6,605,241)	(6,609,623)	(3,653,752)	55%	(6,609,623)	0
Contingency	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ (6,555,241)**	**$ (6,531,976)**	**$ (3,576,105)**	**55%**	**$ (6,531,976)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ (10,372,017)	$ (8,372,017)	$ (3,576,856)		$ (7,782,217)	$ 589,800
Beginning Balance, July 1	48,851,802	48,851,802	48,851,802		48,851,802	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 38,479,785**	**$ 40,479,785**	**$ 45,274,946**		**$ 41,069,585**	**$ 589,800**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
General Funds Summary
Year-End Projections

REVENUE	General Fund 114	Self-Sustaining Fund 115	**Total Unrestricted General Fund**	Restricted & Categorical Fund 121/131	Special Educ. Fund 122	Federal Work Study Fund 123	Parking Fund 125	Campus Center Fund 128	**Total Restricted General Fund**	**TOTAL GENERAL FUND**
Federal Revenue	$ 0	$ 0	$ 0	$ 1,290,111	$ 0	$ 471,034	$ 0	$ 0	$ 1,761,145	$ 1,761,145
State Revenue	22,513,550	2,883,147	25,396,697	53,199,498	2,901,700	0	0	7,617	56,108,814	81,505,511
Local Revenue	167,456,114	10,447,040	177,903,154	2,687,013	0	0	2,248,227	2,110,670	7,045,910	184,949,064
TOTAL REVENUE	**$ 189,969,664**	**$ 13,330,187**	**$ 203,299,851**	**$ 57,176,622**	**$ 2,901,700**	**$ 471,034**	**$ 2,248,227**	**$ 2,118,287**	**$ 64,915,869**	**$ 268,215,721**
EXPENSES										
Certificated Salaries	$ 87,278,678	$ 570,189	$ 87,848,867	$ 5,195,280	$ 2,989,501	$ 0	$ 0	$ 67,135	$ 8,251,917	$ 96,100,784
Classified Salaries	36,759,667	2,187,095	38,946,762	9,403,499	2,058,456	624,424	1,140,033	585,788	13,812,199	52,758,961
Employee Benefits	46,489,577	835,222	47,324,800	4,788,540	1,700,405	0	312,702	270,483	7,072,130	54,396,930
Materials and Supplies	4,022,368	(27,168)	3,995,200	2,452,002	44,635	3,622	0	73,000	2,573,260	6,568,460
Operating Expenses	15,668,711	6,256,425	21,925,136	32,737,009	156,874	0	270,000	126,678	33,290,560	55,215,696
Capital Outlay	1,000,904	290,000	1,290,904	2,045,619	57,128	0	0	280,000	2,382,747	3,673,650
TOTAL EXPENSES	**$ 191,219,905**	**$ 10,111,763**	**$ 201,331,668**	**$ 56,621,949**	**$ 7,006,999**	**$ 628,046**	**$ 1,722,735**	**$ 1,403,084**	**$ 67,382,812**	**$ 268,714,480**
TRANSFERS AND OTHER										
Transfers-in	$ 27,647	$ 0	$ 27,647	$ 0	$ 4,078,935	$ 157,012	$ 470,375	$ 0	$ 4,706,322	$ 4,733,969
Other Sources	0	0	0	0	0	0	0	0	0	0
Intrafund Transfers	50,000	(50,000)	0	0	0	0	0	0	0	0
Transfers-out	(6,609,623)	(278,022)	(6,887,645)	0	0	0	(995,867)	(781,281)	(1,777,148)	(8,664,793)
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	0	0	0	(870,089)	0	0	0	0	(870,089)	(870,089)
TOTAL TRANSFERS/OTHER SOURCES	**$ (6,531,976)**	**$ (328,022)**	**$ (6,859,997)**	**$ (870,089)**	**$ 4,078,935**	**$ 157,012**	**$ (525,492)**	**$ (781,281)**	**$ 2,059,085**	**$ (4,800,912)**
FUND BALANCE										
Net Change in Fund Balance	$ (7,782,217)	$ 2,890,402	$ (4,891,814)	$ (315,417)	$ (26,364)	$ 0	$ 0	$ (66,077)	$ (407,858)	$ (5,299,672)
Beginning Balance, July 1	48,851,802	9,676,167	58,527,969	7,720,329	26,364	0	0	422,777	8,169,470	66,697,439
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	**$ 41,069,585**	**$ 12,566,570**	**$ 53,636,155**	**$ 7,404,912**	**$ 0**	**$ 0**	**$ 0**	**$ 356,700**	**$ 7,761,612**	**$ 61,397,767**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
All Funds Summary
Year-End Projections

REVENUE	TOTAL GENERAL FUND	Debt Service Fund 20	Child Development Fund 30	Capital Projects Fund 40	Enterprise Funds	Student Financial Aid Fund 74, 75	Other Trust (OPEB) Fund 79	TOTAL DISTRICT ALL FUNDS	Internal Service Fund 60
Federal Revenue	$ 1,761,145	$ 0	$ 38,000	$ 0	$ 0	$ 20,621,796	$ 0	$ 22,420,941	$ 0
State Revenue	81,505,511	0	786,556	5,946,327	0	3,292,855	0	91,531,250	0
Local Revenue	184,949,064	48,307,902	1,815,113	234,000	11,420,010	825,000	0	247,551,090	56,230,299
TOTAL REVENUE	**$ 268,215,721**	**$ 48,307,902**	**$ 2,639,669**	**$ 6,180,327**	**$ 11,420,010**	**$ 24,739,651**	**$ 0**	**$ 361,503,280**	**$ 56,230,299**
EXPENSES									
Cost of Sales	$ 0	$ 0	$ 0	$ 0	$ 6,913,220	$ 0	$ 0	$ 6,913,220	$ 0
Certificated Salaries	96,100,784	0	643,089	0	0	0	0	96,743,873	0
Classified Salaries	52,758,961	0	1,127,088	883,433	2,265,765	0	0	57,035,247	0
Employee Benefits	54,396,930	0	707,801	353,182	649,086	0	0	56,106,999	57,287,018
Materials and Supplies	6,568,460	0	146,787	7,993	0	53,120	0	6,776,360	0
Operating Expenses	55,215,696	0	12,904	5,316,326	1,426,027	771,880	0	62,742,832	0
Capital Outlay	3,673,650	0	2,000	34,918,045	0	0	0	38,593,695	0
TOTAL EXPENSES	**$ 268,714,480**	**$ 0**	**$ 2,639,669**	**$ 41,478,978**	**$ 11,254,098**	**$ 825,000**	**$ 0**	**$ 324,912,226**	**$ 57,287,018**
TRANSFERS AND OTHER									
Transfers-in	$ 4,733,969	$ 2,217,279	$ 0	$ 241,192	$ 0	$ 0	$ 1,500,000	$ 8,692,440	$ 0
Other Sources	0	24,082	0	0	0	0	0	24,082	0
Intrafund Transfers	0	0	0	0	0	0	0	0	0
Transfers-out	(8,664,793)	0	0	0	0	(27,647)	0	(8,692,440)	0
Contingency	0	0	0	0	0	0	0	0	0
Other Outgo	(870,089)	(50,549,263)	0	0	(39,897)	(23,914,651)	0	(75,373,900)	0
TOTAL TRANSFERS/OTHER SOURCES	**$ (4,800,912)**	**$ (48,307,902)**	**$ 0**	**$ 241,192**	**$ (39,897)**	**$ (23,942,298)**	**$ 1,500,000**	**$ (75,349,818)**	**$ 0**
FUND BALANCE									
Net Change in Fund Balance	$ (5,299,672)	$ 0	$ 0	$ (35,057,459)	$ 126,015	$ (27,647)	$ 1,500,000	$ (38,758,764)	$ (1,056,719)
Beginning Balance, July 1	66,697,439	33,671,317	521,094	80,732,867	5,654,314	55,866	16,950,906	204,283,802	9,180,617
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	**$ 61,397,767**	**$ 33,671,317**	**$ 521,094**	**$ 45,675,407**	**$ 5,780,329**	**$ 28,219**	**$ 18,450,906**	**$ 165,525,038**	**$ 8,123,898**

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RECONCILIATION OF INTER- AND INTRA-FUND TRANSFERS PROJECTED FOR 6/30/18

TO

	Fund	Unrestricted General Funds		Restricted General Funds					All Other Funds							
		General 114	Self-Sustaining 115	Categorical 121/131	Special Education 122	Fed. Work Study 123	Parking 125	Campus Ctr Use Fees 128	Debt Service 20	Child Developmt 30	Capital Projects 40	Enterprise Funds	Internal Service 60	Financial Aid 74, 75	Other Trust (OPEB) 79	Total
	114				4,078,935	157,012	470,375		403,301						1,500,000	6,609,623
	115	50,000							36,830		241,192					328,022
	121/131															0
	122															0
F	123															0
R	125								995,867							995,867
O	128								781,281							781,281
M	20															0
	30															0
	40															0
	Enterprise															0
	60															0
	74, 75	27,647														27,647
	79															0
	Total	77,647	0	0	4,078,935	157,012	470,375	0	2,217,279	0	241,192	0	0	0	1,500,000	8,742,440

Inter-Fund Transfers:

Fund 114 to 122:	4,074,553	for Special Ed match
	4,382	for salary backfill
Fund 114 to 123:	157,012	for Federal Work Study match
Fund 114 to 125:	470,375	to offset Parking Fund operating deficit
Fund 114 to 20:	280,738	for Debt Service
	122,563	for capital lease payments
Fund 114 to 79:	1,500,000	for 2017/18 OPEB Liability
Fund 115 to 20:	36,830	for capital lease payments
Fund 115 to 40:	241,192	for District Office Building FF&E
Fund 125 to 20:	995,867	for capital lease payments
Fund 128 to 20:	781,281	for Debt Service
Fund 74 to 114:	27,647	to close out Perkins student loan program

Intra-Fund Transfers (Between Unrestricted General Funds):

Fund 115 to 114: 50,000 for Foothill commencement

Intra-Fund Transfers (Between Restricted General Funds):

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
General Funds Summary
Actuals to Date

REVENUE	General Fund 114	Self-Sustaining Fund 115	**Total Unrestricted General Fund**	Restricted & Categorical Fund 121/131	Special Educ. Fund 122	Federal Work Study Fund 123	Parking Fund 125	Campus Center Fund 128	**Total Restricted General Fund**	**TOTAL GENERAL FUND**
Federal Revenue	$ 0	$ 0	$ 0	$ 271,930	$ 0	$ 102,968	$ 0	$ 0	$ 374,898	$ 374,898
State Revenue	6,891,278	1,625,264	8,516,542	23,326,210	1,170,985	0	0	0	24,497,195	33,013,737
Local Revenue	81,498,501	7,137,344	88,635,845	2,016,025	0	0	1,228,364	1,515,410	4,759,799	93,395,643
TOTAL REVENUE	**$ 88,389,779**	**$ 8,762,608**	**$ 97,152,387**	**$ 25,614,164**	**$ 1,170,985**	**$ 102,968**	**$ 1,228,364**	**$ 1,515,410**	**$ 29,631,891**	**$ 126,784,278**
EXPENSES										
Certificated Salaries	$ 39,504,185	$ 175,924	$ 39,680,108	$ 2,323,376	$ 1,209,522	$ 0	$ 0	$ 5,595	$ 3,538,493	$ 43,218,601
Classified Salaries	18,361,731	1,102,615	19,464,346	4,315,861	960,666	153,001	473,795	230,908	6,134,231	25,598,577
Employee Benefits	20,034,181	307,326	20,341,507	2,088,134	699,224	0	137,947	113,669	3,038,974	23,380,480
Materials and Supplies	1,213,268	37,278	1,250,547	690,036	18,744	1,811	0	26,856	737,448	1,987,994
Operating Expenses	9,088,673	1,925,248	11,013,921	16,422,608	151,017	0	112,014	61,888	16,747,526	27,761,447
Capital Outlay	188,493	131,213	319,705	955,605	7,506	0	0	0	963,111	1,282,816
TOTAL EXPENSES	**$ 88,390,530**	**$ 3,679,604**	**$ 92,070,134**	**$ 26,795,620**	**$ 3,046,679**	**$ 154,812**	**$ 723,755**	**$ 438,916**	**$ 31,159,782**	**$ 123,229,916**
TRANSFERS AND OTHER										
Transfers-in	$ 27,647	$ 0	$ 27,647	$ 0	$ 2,041,658	$ 34,323	$ 0	$ 0	$ 2,075,981	$ 2,103,628
Other Sources	0	0	0	0	0	0	0	0	0	0
Intrafund Transfers	50,000	(50,000)	0	0	0	0	0	0	0	0
Transfers-out	(3,653,752)	(143,423)	(3,797,175)	0	0	0	(497,934)	(55,387)	(553,321)	(4,350,495)
Contingency	0	0	0	0	0	0	0	0	0	0
Other Outgo	0	0	0	(231,880)	0	0	0	0	(231,880)	(231,880)
TOTAL TRANSFERS/OTHER SOURCES	**$ (3,576,105)**	**$ (193,423)**	**$ (3,769,527)**	**$ (231,880)**	**$ 2,041,658**	**$ 34,323**	**$ (497,934)**	**$ (55,387)**	**$ 1,290,781**	**$ (2,478,747)**
FUND BALANCE										
Net Change in Fund Balance	$ (3,576,856)	$ 4,889,581	$ 1,312,725	$ (1,413,336)	$ 165,964	$ (17,521)	$ 6,675	$ 1,021,107	$ (237,110)	$ 1,075,615
Beginning Balance, July 1	48,851,802	9,676,167	58,527,969	7,720,329	26,364	0	0	422,777	8,169,470	66,697,439
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	**$ 45,274,946**	**$ 14,565,749**	**$ 59,840,694**	**$ 6,306,993**	**$ 192,328**	**$ (17,521)**	**$ 6,675**	**$ 1,443,884**	**$ 7,932,359**	**$ 67,773,054**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
All Funds Summary
Actuals to Date

REVENUE	**TOTAL GENERAL FUND**	Debt Service Fund 20	Child Development Fund 30	Capital Projects Fund 40	Enterprise Funds	Student Financial Aid Fund 74, 75	Other Trust (OPEB) Fund 79	**TOTAL DISTRICT ALL FUNDS**	Internal Service Fund 60
Federal Revenue	$ 374,898	$ 0	$ 12,853	$ 0	$ 0	$ 8,135,943	$ 0	$ 8,523,694	$ 0
State Revenue	33,013,737	0	536,172	4,527,133	0	2,966,384	0	41,043,427	0
Local Revenue	93,395,643	2,710,443	1,014,466	168,694	4,346,826	139,709	0	101,775,782	27,380,207
TOTAL REVENUE	**$ 126,784,278**	**$ 2,710,443**	**$ 1,563,492**	**$ 4,695,828**	**$ 4,346,826**	**$ 11,242,035**	**$ 0**	**$ 151,342,902**	**$ 27,380,207**
EXPENSES									
Cost of Sales	$ 0	$ 0	$ 0	$ 0	$ 2,574,567	$ 0	$ 0	$ 2,574,567	$ 0
Certificated Salaries	43,218,601	0	291,318	0	0	0	0	43,509,920	0
Classified Salaries	25,598,577	0	582,428	390,928	994,461	0	0	27,566,393	0
Employee Benefits	23,380,480	0	310,226	148,618	305,377	0	0	24,144,701	26,578,935
Materials and Supplies	1,987,994	0	58,905	0	0	26,560	0	2,073,459	0
Operating Expenses	27,761,447	0	9,458	1,352,460	543,379	175,128	0	29,841,872	0
Capital Outlay	1,282,816	0	0	12,656,124	0	0	0	13,938,941	0
TOTAL EXPENSES	**$ 123,229,916**	**$ 0**	**$ 1,252,335**	**$ 14,548,130**	**$ 4,417,784**	**$ 201,688**	**$ 0**	**$ 143,649,853**	**$ 26,578,935**
TRANSFERS AND OTHER									
Transfers-in	$ 2,103,628	$ 649,507	$ 0	$ 125,008	$ 0	$ 0	$ 1,500,000	$ 4,378,143	$ 0
Other Sources	0	2,194	0	0	0	0	0	2,194	0
Intrafund Transfers	0	0	0	0	0	0	0	0	0
Transfers-out	(4,350,495)	0	0	0	0	(27,647)	0	(4,378,143)	0
Contingency	0	0	0	0	0	0	0	0	0
Other Outgo	(231,880)	(29,534,576)	0	0	(22,478)	(9,285,809)	0	(39,074,742)	0
TOTAL TRANSFERS/OTHER SOURCES	**$ (2,478,747)**	**$ (28,882,876)**	**$ 0**	**$ 125,008**	**$ (22,478)**	**$ (9,313,456)**	**$ 1,500,000**	**$ (39,072,549)**	**$ 0**
FUND BALANCE									
Net Change in Fund Balance	$ 1,075,615	$ (26,172,432)	$ 311,157	$ (9,727,294)	$ (93,436)	$ 1,726,891	$ 1,500,000	$ (31,379,499)	$ 801,272
Beginning Balance, July 1	66,697,439	33,671,317	521,094	80,732,867	5,654,314	55,866	16,950,906	204,283,802	9,180,617
Adjustments to Beginning Balance	0	0	0	0	0	0	0	0	0
NET FUND BALANCE, June 30	**$ 67,773,054**	**$ 7,498,885**	**$ 832,251**	**$ 71,005,573**	**$ 5,560,878**	**$ 1,782,758**	**$ 18,450,906**	**$ 172,904,302**	**$ 9,981,889**

RECONCILIATION OF INTER- AND INTRA-FUND TRANSFERS AS OF 12/31/17

TO

		Unrestricted General Funds		Restricted General Funds					All Other Funds							
	Fund	General 114	Self-Sustaining 115	Categorical 121/131	Special Education 122	Fed. Work Study 123	Parking 125	Campus Ctr Use Fees 128	Debt Service 20	Child Developmt 30	Capital Projects 40	Enterprise Funds	Internal Service 60	Financial Aid 74, 75	Other Trust (OPEB) 79	Total
	114				2,041,658	34,323			77,771						1,500,000	3,653,752
	115	50,000							18,415		125,008					193,423
	121/131															0
	122															0
F	123															0
R	125								497,934							497,934
O	128								55,387							55,387
M	20															0
	30															0
	40															0
	Enterprise															0
	60															0
	74, 75	27,647														27,647
	79															0
	Total	77,647	0	0	2,041,658	34,323	0	0	649,507	0	125,008	0	0	0	1,500,000	4,428,143

Inter-Fund Transfers:

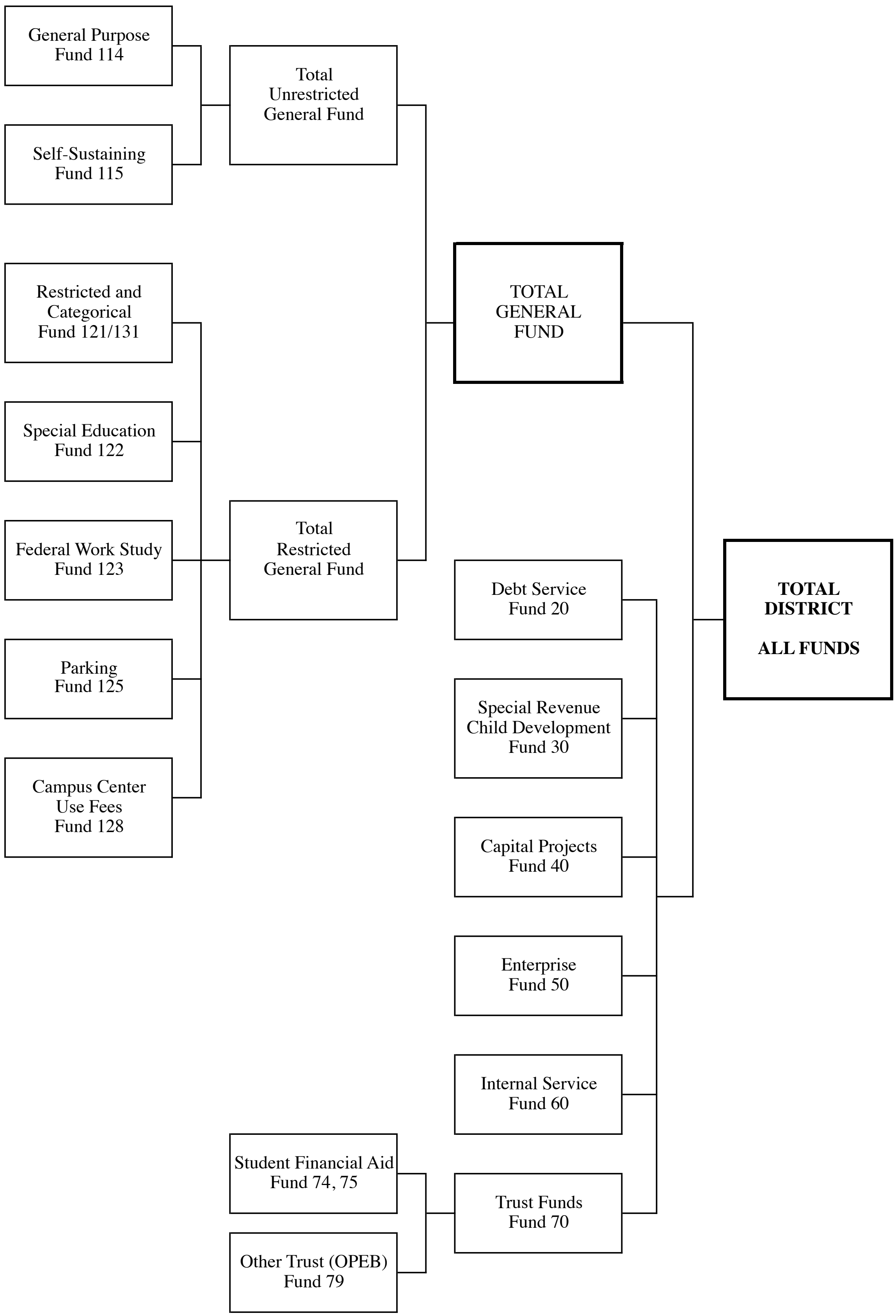
Fund 114 to 122:	2,037,277	for Special Ed match
	4,382	for salary backfill
Fund 114 to 123:	34,323	for Federal Work Study match
Fund 114 to 20:	16,489	for Debt Service
	61,282	for capital lease payments
Fund 114 to 79:	1,500,000	for 2017/18 OPEB liability
Fund 115 to 20:	18,415	for capital lease payments
Fund 115 to 40:	125,008	for District Office Building FF&E
Fund 125 to 20:	497,934	for capital lease payments
Fund 128 to 20:	55,387	for Debt Service
Fund 74 to 114:	27,647	to close out Perkins student loan program

Intra-Fund Transfers (Between Unrestricted General Funds):

Fund 115 to 114: 50,000 for Foothill commencement

Intra-Fund Transfers (Between Restricted General Funds):

ALL FUNDS CHART



SELF-SUSTAINING
Fund 115

Self-Sustaining funds, as the name implies, counterbalance operating expenditures against the revenues generated from various instructional arrangements. Not all related costs are allocated to these programs but, for those expenses that are charged, the programs are expected to generate income or use accumulated balances to cover them. Although budgets are used as a means to forecast and control revenue and expenditure activity, spending is solely dependent upon their ability to generate sufficient revenue to adequately support such operations.

Most accounts within this group have residual funds, and excess revenues over expenditures are available for use at the respective college's discretion. The residual funds are regarded as *designated* funds, which mean that, although the district regards them as restricted, they are actually *unrestricted* and are reported to the state as such. The Board of Trustees has the discretion to use the funds for any lawful purpose.

Current Status:

The changes to the Self-Sustaining Fund for the second quarter include an increase to local revenue for revenue received from the Foundation for Foothill Theatre Arts, with a corresponding increase to the operating expenses category ($40,000).

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 115 - SELF SUSTAINING

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	2,883,147	2,883,147	1,625,264	56%	2,883,147	0
Local Revenue	10,407,040	10,447,040	7,137,344	68%	10,447,040	0
TOTAL REVENUE	**$ 13,290,187**	**$ 13,330,187**	**$ 8,762,608**	**66%**	**$ 13,330,187**	**$ 0**
EXPENSES						
Certificated Salaries	$ 570,189	$ 570,189	$ 175,924	31%	$ 570,189	$ 0
Classified Salaries	2,187,095	2,187,095	1,102,615	50%	2,187,095	0
Employee Benefits	835,222	835,222	307,326	37%	835,222	0
Materials and Supplies	(27,168)	(27,168)	37,278	-137%	(27,168)	0
Operating Expenses	6,216,425	6,256,425	1,925,248	31%	6,256,425	0
Capital Outlay	290,000	290,000	131,213	45%	290,000	0
TOTAL EXPENSES	**$ 10,071,763**	**$ 10,111,763**	**$ 3,679,604**	**36%**	**$ 10,111,763**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	(50,000)	(50,000)	(50,000)	100%	(50,000)	0
Transfers-out	(278,022)	(278,022)	(143,423)	52%	(278,022)	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ (328,022)**	**$ (328,022)**	**$ (193,423)**	**59%**	**$ (328,022)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 2,890,402	$ 2,890,402	$ 4,889,581		$ 2,890,402	$ 0
Beginning Balance, July 1	9,676,167	9,676,167	9,676,167		9,676,167	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 12,566,570**	**$ 12,566,570**	**$ 14,565,749**		**$ 12,566,570**	**$ 0**

RESTRICTED and CATEGORICAL
Fund 121/131

Restricted and Categorical Funds are those resources that come from federal, state or local agencies. In general, money received from these programs is restricted for a specific purpose. The principal programs in the Restricted and Categorical Fund are as follows:

Perkins Career and Technical Education Act (CTEA): Federal funds administered by the state for technical education and improvement of career and technical programs.

National Science Foundation: Federal funding for curriculum development in science programs. We currently have two NSF grants, NSF S-STEM and NSF STEMWay, of which the latter had an end date of September 30, 2017. NSF S-STEM will continue to be active through the 2017-18 fiscal year.

Student Success & Support Program (SSSP), Student Equity, Staff Development, Staff Diversity, Extended Opportunity Programs and Services (EOPS), Cooperative Agencies Resources for Education (CARE), and CalWORKs: These programs target specific populations or services funded by the state.

High Tech Center Training Unit: State funding to provide support for training of instructors of disabled students at community colleges in the state.

Instructional Equipment and Library Materials (Block Grant): State funding carried forward from prior years to meet instructional equipment and library materials needs.

Physical Plant and Instructional Support: The 2017-18 Budget Act provides $69.86 million for deferred maintenance, instructional equipment, and specified water conservation projects. These resources allow districts to protect investments previously made in facilities, and to improve students' experiences by investing in new instructional equipment. For 2017-18, the district will receive $1,598,879 for Physical Plant & Instructional Support, for which no local match is required. Of this, $1,098,879 is budgeted in the Capital Projects Fund and $500,000 is budgeted in the Restricted and Categorical Fund.

Online Education Initiative (OEI): State funding, awarded in partnership with Butte-Glenn Community College District, to support Governor Jerry Brown's groundbreaking Online Education

Initiative for the state of California. The goal of the initiative is to increase the number of California students who obtain associate degrees and transfer to four-year universities by dramatically increasing the number of online classes available to community college students and providing those students with comprehensive support services to help them succeed.

Adult Education Block Grant: The Adult Education Block Grant Program provides adult education funding to county offices of education, school districts, and regional consortia to support Assembly Bill 86 specified programs. The intent of AB 86 is to expand and improve the provision of adult education with incremental investments beginning with fiscal year 2015-16.

Economic Development: State funding provided for projects to improve career development services locally and regionally.

Strong Workforce Program: At the recommendation of the California Community College Board of Governors, the Governor and Legislature approved the Strong Workforce Program, adding a new annual recurring investment of $200 million to spur career technical education (CTE). This was included in the 2016 Budget Trailer Bill and chaptered into California Ed Code 88820-88826. The purpose is to develop more workforce opportunities to lift low-wage workers into living-wage jobs, with the goal of creating one million more middle-skill workers. This program is grouped into seven areas targeting student success, career pathways, workforce data and outcomes, curriculum, CTE faculty, regional coordination and funding, and builds upon existing regional partnerships formed in conjunction with the federal Workforce Innovation and Opportunity Act, state Adult Education Block Grant and public school CTE programs.

Health Services Fees: Health Services fees are set by the state and we are mandated to provide a fixed level of services. These fees are collected from students and are restricted for the provision of health services for students.

Mellon Scholars Grant: Funded by the Andrew W. Mellon Foundation, Foothill-De Anza in partnership with the University of San Francisco, was awarded a four-year $2.145 million grant in 2016-17, of which $1.465 million goes to Foothill-De Anza and $679,547 goes to USF. These funds will support selected underserved and underrepresented students, identified as Mellon Scholars, in the study of humanities with the ultimate goal of obtaining a four-year college degree. Students who complete the program will be guaranteed admission to the University of San Francisco and also will meet eligibility requirements for transfer to the University of California and the California State University systems. Grant funds will cover the cost of textbooks, field trips, and paid internships that provide opportunities to apply the knowledge, skills, and abilities gained through study of the humanities. In addition, this grant provides funding for collaborative faculty-driven activities that strengthen and expand the impact of humanities programs. USF will take the lead on hosting conferences and workshops that will be free of charge to humanities faculty from community colleges and four-year institutions throughout the greater Bay Area.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 121/131 - RESTRICTED and CATEGORICAL

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 1,290,111	$ 1,290,111	$ 271,930	21%	$ 1,290,111	$ 0
State Revenue	53,199,498	53,199,498	23,326,210	44%	53,199,498	0
Local Revenue	2,687,013	2,687,013	2,016,025	75%	2,687,013	0
TOTAL REVENUE	**$ 57,176,622**	**$ 57,176,622**	**$ 25,614,164**	**45%**	**$ 57,176,622**	**$ 0**
EXPENSES						
Certificated Salaries	$ 5,195,280	$ 5,195,280	$ 2,323,376	45%	$ 5,195,280	$ 0
Classified Salaries	9,403,499	9,403,499	4,315,861	46%	9,403,499	0
Employee Benefits	4,788,540	4,788,540	2,088,134	44%	4,788,540	0
Materials and Supplies	2,452,002	2,452,002	690,036	28%	2,452,002	0
Operating Expenses	32,737,009	32,737,009	16,422,608	50%	32,737,009	0
Capital Outlay	2,045,619	2,045,619	955,605	47%	2,045,619	0
TOTAL EXPENSES	**$ 56,621,949**	**$ 56,621,949**	**$ 26,795,620**	**47%**	**$ 56,621,949**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	(870,089)	(870,089)	(231,880)	27%	(870,089)	0
TOTAL TRFs/OTHER SOURCES	**$ (870,089)**	**$ (870,089)**	**$ (231,880)**	**27%**	**$ (870,089)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ (315,417)	$ (315,417)	$ (1,413,336)		$ (315,417)	$ 0
Beginning Balance, July 1	7,720,329	7,720,329	7,720,329		7,720,329	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 7,404,912**	**$ 7,404,912**	**$ 6,306,993**		**$ 7,404,912**	**$ 0**

SPECIAL EDUCATION
Fund 122

Special Education is a program mandated by *Title V* and funded primarily by the state. It provides services for physically, developmentally, or learning disabled students. Services include special classes, interpreters, on-campus assistance, test-taking assistance, computer-aided labs, and priority registration.

Current Status:

No change from First Quarter.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 122 - SPECIAL EDUCATION

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	2,901,700	2,901,700	1,170,985	40%	2,901,700	0
Local Revenue	0	0	0	0%	0	0
TOTAL REVENUE	**$ 2,901,700**	**$ 2,901,700**	**$ 1,170,985**	**40%**	**$ 2,901,700**	**$ 0**
EXPENSES						
Certificated Salaries	$ 2,979,824	$ 2,989,501	$ 1,209,522	40%	$ 2,989,501	$ 0
Classified Salaries	2,041,489	2,058,456	960,666	47%	2,058,456	0
Employee Benefits	1,692,944	1,700,405	699,224	41%	1,700,405	0
Materials and Supplies	42,000	44,635	18,744	42%	44,635	0
Operating Expenses	179,996	156,874	151,017	96%	156,874	0
Capital Outlay	40,000	57,128	7,506	13%	57,128	0
TOTAL EXPENSES	**$ 6,976,253**	**$ 7,006,999**	**$ 3,046,679**	**43%**	**$ 7,006,999**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 4,074,553	$ 4,078,935	$ 2,041,658	50%	$ 4,078,935	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 4,074,553**	**$ 4,078,935**	**$ 2,041,658**	**50%**	**$ 4,078,935**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ (26,364)	$ 165,964		$ (26,364)	$ 0
Beginning Balance, July 1	26,364	26,364	26,364		26,364	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 26,364**	**$ 0**	**$ 192,328**		**$ 0**	**$ 0**

FEDERAL WORK STUDY
Fund 123

Federal Work Study is a federal program providing financial aid to students in the form of compensation for work performed for on-campus and off-campus work. The district is required to contribute 25% of the total funds compensated to work-study employees. Beginning with the 2000-01 year, institutions were required to spend at least 7% of the work-study allocation to pay students performing community service work.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 123 - FEDERAL WORK STUDY

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 471,034	$ 471,034	$ 102,968	22%	$ 471,034	$ 0
State Revenue	0	0	0	0%	0	0
Local Revenue	0	0	0	0%	0	0
TOTAL REVENUE	**$ 471,034**	**$ 471,034**	**$ 102,968**	**22%**	**$ 471,034**	**$ 0**
EXPENSES						
Certificated Salaries	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Classified Salaries	628,046	628,046	153,001	24%	624,424	3,622
Employee Benefits	0	0	0	0%	0	0
Materials and Supplies	0	0	1,811	0%	3,622	(3,622)
Operating Expenses	0	0	0	0%	0	0
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 628,046**	**$ 628,046**	**$ 154,812**	**25%**	**$ 628,046**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 157,012	$ 157,012	$ 34,323	22%	$ 157,012	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 157,012**	**$ 157,012**	**$ 34,323**	**22%**	**$ 157,012**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ 0	$ (17,521)		$ 0	$ 0
Beginning Balance, July 1	0	0	0		0	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 0**	**$ 0**	**$ (17,521)**		**$ 0**	**$ 0**

PARKING
Fund 125

This fund collects all revenues and expenses associated with providing parking services at both campuses. Revenues are derived from sales of parking decals, daily permits, and fees from special events. Expenditures are restricted by state law to road and parking lot maintenance, parking security costs, related operating overhead and public transportation for students and staff.

Fees from parking permits are governed by the state Education Code section 76360. We are projecting an excess of operating expenses over revenue of $470,375, which will be covered, as in prior years, by a transfer in from the General Purpose Fund to allow the Parking Fund to break even for the year.

There is no fund balance in the Parking Fund at this moment. Unlike the health fee, the parking fee does not rise automatically with the Consumer Price Index. This results in continued reductions to security services for parking and virtually no dollars available for parking lot maintenance.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 125 - PARKING

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	0	0	0	0%	0	0
Local Revenue	2,248,227	2,248,227	1,228,364	55%	2,248,227	0
TOTAL REVENUE	**$ 2,248,227**	**$ 2,248,227**	**$ 1,228,364**	**55%**	**$ 2,248,227**	**$ 0**
EXPENSES						
Certificated Salaries	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Classified Salaries	1,140,033	1,140,033	473,795	42%	1,140,033	0
Employee Benefits	312,702	312,702	137,947	44%	312,702	0
Materials and Supplies	0	0	0	0%	0	0
Operating Expenses	270,000	270,000	112,014	41%	270,000	0
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 1,722,735**	**$ 1,722,735**	**$ 723,755**	**42%**	**$ 1,722,735**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 470,375	$ 470,375	$ 0	0%	$ 470,375	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	(995,867)	(995,867)	(497,934)	50%	(995,867)	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ (525,492)**	**$ (525,492)**	**$ (497,934)**	**95%**	**$ (525,492)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ 0	$ 6,675		$ 0	$ 0
Beginning Balance, July 1	0	0	0		0	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 0**	**$ 0**	**$ 6,675**		**$ 0**	**$ 0**

CAMPUS CENTER USE FEES

Fund 128

Revenues are generated by collecting a mandatory fee for use of the campus centers at each institution. The proceeds are isolated by campus and are restricted for the following purposes in order of priority: 1) retirement of Certificates of Participation financing the campus center expansion and renovation projects, 2) repair and replacement of existing student campus center facilities, and 3) personnel support of campus center operations.

In November 2006, the district issued a Certificate of Participation for $11.33 million, which paid for a portion of the new Foothill Campus Center building and a portion of the renovation of the De Anza Campus Center building. The campus center student use fees from both campuses will cover the annual debt service.

Although the Campus Center Use Fee Fund is projecting a deficit of approximately $66,077 for 2017-18, this over-expenditure is intentional in order to utilize the accumulated fund balance from the prior year. Most of the expenses that will reduce the fund balance will be related to capital projects for the campus centers at both colleges.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 128 - CAMPUS CENTER USE FEES

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	7,617	7,617	0	0%	7,617	0
Local Revenue	2,110,670	2,110,670	1,515,410	72%	2,110,670	0
TOTAL REVENUE	**$ 2,118,287**	**$ 2,118,287**	**$ 1,515,410**	**72%**	**$ 2,118,287**	**$ 0**
EXPENSES						
Certificated Salaries	$ 67,135	$ 67,135	$ 5,595	8%	$ 67,135	$ 0
Classified Salaries	585,788	585,788	230,908	39%	585,788	0
Employee Benefits	270,483	270,483	113,669	42%	270,483	0
Materials and Supplies	73,000	73,000	26,856	37%	73,000	0
Operating Expenses	126,678	126,678	61,888	49%	126,678	0
Capital Outlay	280,000	280,000	0	0%	280,000	0
TOTAL EXPENSES	**$ 1,403,084**	**$ 1,403,084**	**$ 438,916**	**31%**	**$ 1,403,084**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	(781,281)	(781,281)	(55,387)	7%	(781,281)	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ (781,281)**	**$ (781,281)**	**$ (55,387)**	**7%**	**$ (781,281)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ (66,077)	$ (66,077)	$ 1,021,107		$ (66,077)	$ 0
Beginning Balance, July 1	422,777	422,777	422,777		422,777	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 356,700**	**$ 356,700**	**$ 1,443,884**		**$ 356,700**	**$ 0**

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DEBT SERVICE
Fund 20

This fund is for the repayment of current principal and interest due on the district's general long-term debt and lease arrangements (Certificates of Participation). Resources are generally transferred into this fund from the fund or account that initiated the original debt or lease. This fund also accounts for the legally required reserves mandated by the various debt or lease issuances.

The district has issued several major debt instruments in recent years to finance large capital purchases. The debt instruments are as follows:

- **May 2000:** The district issued $99.9 million of the General Obligation Bond, Series A, with effective interest rates of 4.25% to 6.26%. Payments of principal and interest are made August 1 and February 1 of each year.

- **October 2003:** The district issued $90.1 million of the General Obligation Bond, Series B, with effective interest rates of 2% to 5.79%. Payments of principal and interest are made August 1 and February 1 of each year.

- **April 2005:** The district entered into a capital lease agreement with CitiMortgage, Inc., since acquired by PNCEF, LLC, to finance the purchase and installation of Photovoltaic Solar Collecting Systems at Foothill College and De Anza College. The amount of the lease is $3,188,626 with a repayment term of over fifteen years. Savings from the utility charges will be used to service the debt payment each year. This lease is no longer active. It was refinanced in December 2016.

- **October 2005:** The district refinanced a portion ($22,165,000) of the General Obligation Bond, Series B (original value $90,100,063) with effective interest rates of 3% to 5.25%. Payments of principal and interest are made August 1 and February 1 of each year.

- **October 2005:** The district issued $57.9 million of the General Obligation Bond, Series C, with effective interest rates of 4.81% to 5.03%. Payments of principal and interest are made August 1 and February 1 of each year.

- **November 2006:** The district financed a Certificate of Participation for $11.33 million, with effective interest rates of 3.5% to 5%. Payments of principal and interest are made on September 1 and March 1 of each year. The estimated annual payment is $1,020,254. The financed amount of the COP will be used for the renovation portion of the Foothill and De Anza Campus Center buildings and Foothill Bookstore Equipment, Furniture and Fixtures. This Certificate of Participation is no longer active. It was refinanced in December 2016.

- **May 2007:** The district issued $149,995,250 of the Election of 2006 General Obligation Bond, Series A, with effective interest rates of 4% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.

- **May 2007:** The district issued $99,996,686 of the Election of 2006 General Obligation Bond, Series B, with effective interest rates of 4% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.

- **June 2011:** The district issued $184 million of the Election of 2006 General Obligation Bond, Series C, with an effective interest rate of 5%. Payments of principal and interest are made August 1 and February 1 of each year.

- **May 2012:** The district issued a General Obligation Refunding Bond in an aggregate principal amount of $70,735,000 to pay for the current refunding of a portion of the district's outstanding 2002 General Obligation Refunding Bonds, the advance refunding of a portion of the district's outstanding Election of 1999 General Obligation Bonds, Series B, the advance refunding of a portion of the district's outstanding Election of 1999 General Obligation Bonds, Series C, with effective interest rates of 0.25% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.

- **August 2013:** The district entered into a capital lease agreement with Capital One Public Funding, LLC, to refinance the 2003 Certificate of Participation of $18.2 million. The refinanced lease amount of $7.58 million constitutes the remainder of the refinanced $18.2 million COP with effective interest rates of 1.75% for a term of eight years. Payments of principal and interest are made on September 1 and March 1 of each year. The estimated annual payment is $1,155,260.

- **August 2014:** The district issued a General Obligation Refunding Bond in an aggregate principal amount of $103,015,000, which will be used to refund portions of the district's outstanding Election of 1999 General Obligation Bonds, Series C, Election of 2006 General Obligation Bonds, Series A, and Election of 2006 General Obligation Bonds, Series B, with effective interest rates of 0.86% to 3.36%. Payments of principal and interest are made August 1 and February 1 of each year.

- **August 2015:** The district issued a General Obligation Refunding Bond in an aggregate principal amount of $83,100,000, which will be used to refund portions of the district's outstanding Election of 2006 General Obligation Bonds, Series A, and Election of 2006 General Obligation Bonds, Series B, with effective interest rates of 1% to 5%. Payments of principal and interest are made August 1 and February 1 of each year.

- **October 2016**: The district issued the following 2006 Election General Obligation Bond: $26 million of the General Obligation Bond, Series D, with effective interest rates of 3% to 5%, $30.7 million of the General Obligation Bond, Series E (taxable), with effective interest rates of 2.4% to 3.2%, and 2006 General Obligation Refunding Bond in an aggregate principal amount of $201.7 million, which was used to fully refund the district's outstanding Election of 2006 General Obligation Bonds, series C, with effective interest rates of 2% to 5%. Payments of principal and interest on 2006 Election General Obligation, Series D and Series E, and 2006 General Obligation Refunding Bond are made August 1 and February 1 of each year.

- **December 2016:** The district refinanced a Certificate of Participation for $27.76 million, with effective interest rates of 2% to 5%. Payments of principal and interest are made on October 1 and April 1 of each year. The estimated annual payment is $1.7 million. This Certificate of Participation constitutes the remainder of the $3.1 million lease with PNCEF, LLC ($790,000), the remainder of the $11.33 million COP ($3.58 million), and $23.4 million for the De Anza Flint Center Parking Garage Retrofit Project.

Debt Instruments	Final Payment Due	Net FY 2017/18 Payments	Unres Gen Fund Fund 114	Self-Sustaining Fund Fund 115	Parking Fund Fund 125	Campus Center Use Fees Fund 128	Foothill Enterprise
$3.3M Energy Project Lease	01/2020	-	-	-	-	-	-
$7.5M Refunding Lease	09/2020	1,155,261	122,563	36,830	995,867	-	-
$11.3M COP, Financing	06/2021	-	-	-	-	-	-
$27.7M 2016 COP	06/2041	1,086,100	280,738			781,281	24,082
Total Annual Payments		$ 2,241,361	$ 403,301	$ 36,830	$ 995,867	$ 781,281	$ 24,082
Outstanding Principal Balance as 06/30/17			$ 24,424,487	$ 124,586	$ 3,366,565	$ 2,826,017	$ 88,873

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 20 - DEBT SERVICE

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	0	0	0	0%	0	0
Local Revenue	48,307,902	48,307,902	2,710,443	6%	48,307,902	0
TOTAL REVENUE	**$ 48,307,902**	**$ 48,307,902**	**$ 2,710,443**	**6%**	**$ 48,307,902**	**$ 0**
EXPENSES						
Certificated Salaries	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Classified Salaries	0	0	0	0%	0	0
Employee Benefits	0	0	0	0%	0	0
Materials and Supplies	0	0	0	0%	0	0
Operating Expenses	0	0	0	0%	0	0
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 2,217,279	$ 2,217,279	$ 649,507	29%	$ 2,217,279	$ 0
Other Sources	24,082	24,082	2,194	9%	24,082	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	(50,549,263)	(50,549,263)	(29,534,576)	58%	(50,549,263)	0
TOTAL TRFs/OTHER SOURCES	**$ (48,307,902)**	**$ (48,307,902)**	**$ (28,882,876)**	**60%**	**$ (48,307,902)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ 0	$ (26,172,432)		$ 0	$ 0
Beginning Balance, July 1	33,671,317	33,671,317	33,671,317		33,671,317	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 33,671,317**	**$ 33,671,317**	**$ 7,498,885**		**$ 33,671,317**	**$ 0**

CHILD DEVELOPMENT
Fund 30

The Child Development Fund supports the costs associated with the Child Development Center located at De Anza College. The De Anza Child Development Center provides services to students from both Foothill College and De Anza College. Providing childcare to children between the ages of one and six years old, the center is also utilized as a facility for Early Childhood Education students to observe and train. In 1999-00, De Anza opened an infant-toddler center to support Foothill-De Anza students, including CalWORKs students, and for use by the community.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 30 - CHILD DEVELOPMENT

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 38,000	$ 38,000	$ 12,853	34%	$ 38,000	$ 0
State Revenue	786,556	786,556	536,172	68%	786,556	0
Local Revenue	1,815,113	1,815,113	1,014,466	56%	1,815,113	0
TOTAL REVENUE	**$ 2,639,669**	**$ 2,639,669**	**$ 1,563,492**	**59%**	**$ 2,639,669**	**$ 0**
EXPENSES						
Certificated Salaries	$ 643,089	$ 643,089	$ 291,318	45%	$ 643,089	$ 0
Classified Salaries	1,127,088	1,127,088	582,428	52%	1,127,088	0
Employee Benefits	707,801	707,801	310,226	44%	707,801	0
Materials and Supplies	146,787	146,787	58,905	40%	146,787	0
Operating Expenses	12,904	12,904	9,458	73%	12,904	0
Capital Outlay	2,000	2,000	0	0%	2,000	0
TOTAL EXPENSES	**$ 2,639,669**	**$ 2,639,669**	**$ 1,252,335**	**47%**	**$ 2,639,669**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ 0	$ 311,157		$ 0	$ 0
Beginning Balance, July 1	521,094	521,094	521,094		521,094	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 521,094**	**$ 521,094**	**$ 832,251**		**$ 521,094**	**$ 0**

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CAPITAL PROJECTS
Fund 40

Each account in this fund represents a specific capital project of sufficient importance to warrant separate accounting from the General Purpose Fund. All project budgets, budget transfers, and actual project expenditures are reviewed by the Audit and Finance subcommittee of the Board and then are approved by the Board of Trustees and, if appropriate, state agencies.

Budgets are reported on a project basis, whereas actual revenues and expenditures are accounted for on both a project and fiscal year basis. Funding may come from either outside sources, such as state sources, General Obligation Bonds, borrowings or donations, or from transferring resources from internal funds that will receive the benefit from the assets being created. Plant Services assumes fiscal responsibility for most of these financial accounts and reconciles these accounts with the project cost accounting system. The district currently has a number of major capital outlay projects, clean energy projects and scheduled maintenance projects either under construction or in various queues.

Capital Projects:

The 2017-18 Budget Act provides $69.86 million for deferred maintenance, instructional equipment, and specified water conservation projects. These resources allow districts to protect investments previously made in facilities, and to improve students' experiences by investing in new instructional equipment. For 2017-18, the district will receive $1,598,879 for Physical Plant & Instructional Support, for which no local match is required. Of this, $1,098,879 is budgeted in the Capital Projects Fund and $500,000 is budgeted in the Restricted and Categorical Fund.

At the November 2012 statewide general election, voters approved Proposition 39, the California Clean Energy Jobs Act of 2012, which allocates revenue to local education agencies to support energy efficiency and alternative energy projects, along with related improvements and repairs that contribute to reduced operating costs and improved health and safety conditions in public schools. Proposition 39 provides for annual transfers from the state's general fund to the clean energy jobs creation fund for a period of five years beginning in 2013-14 through 2017-18. For 2017-18, the state allocated $38.9 million for energy projects, of which $891,732 will be apportioned to the district for energy efficiency and renewable generation projects, which is budgeted in the Capital Projects Fund. This is the final year for program funding.

Measure C Projects:

On June 6, 2006, voters in the district's service area approved by a 65.69% margin a $490.8 million General Obligation bond (Measure C). In May 2007, the district issued Series A bonds of $149.9 million and Series B bonds of $99.9 million. In June 2011, the district issued Measure C, Series C bonds for $184 million. In October 2016, the district issued Measure C, Series D (tax-exempt) bonds for $26 million and Series E (taxable) bonds of $30.76 million. The bond measure will enable the district to upgrade electrical, heating, and ventilation systems; upgrade fire/seismic safety; repair leaky roofs; improve disabled access; repair/expand classrooms for nurses/paramedics; upgrade technology; and repair, construct, acquire, and equip buildings, classrooms, libraries, sites, and science/computer labs.

Current Status:

No change from First Quarter.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 40 - CAPITAL PROJECTS

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
State Revenue	$ 6,106,538	$ 5,946,327	$ 4,527,133	76%	$ 5,946,327	$ 0
Local Revenue	234,000	234,000	168,694	72%	234,000	0
TOTAL REVENUE	**$ 6,340,538**	**$ 6,180,327**	**$ 4,695,828**	**76%**	**$ 6,180,327**	**$ 0**
EXPENSES						
Certificated Salaries	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Classified Salaries	883,433	883,433	390,928	44%	883,433	0
Employee Benefits	353,182	353,182	148,618	42%	353,182	0
Materials and Supplies	7,993	7,993	0	0%	7,993	0
Operating Expenses	5,316,326	5,316,326	1,352,460	25%	5,316,326	0
Capital Outlay	35,078,256	34,918,045	12,656,124	36%	34,918,045	0
TOTAL EXPENSES	**$ 41,639,189**	**$ 41,478,978**	**$ 14,548,130**	**35%**	**$ 41,478,978**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 241,192	$ 241,192	$ 125,008	52%	$ 241,192	$ 0
Other Sources	0	0	0	0%	0	0
Intrafund Transfers	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 241,192**	**$ 241,192**	**$ 125,008**	**52%**	**$ 241,192**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ (35,057,459)	$ (35,057,459)	$ (9,727,294)		$ (35,057,459)	$ 0
Beginning Balance, July 1	80,732,867	80,732,867	80,732,867		80,732,867	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 45,675,407**	**$ 45,675,407**	**$ 71,005,573**		**$ 45,675,407**	**$ 0**

ENTERPRISE FUND
FOOTHILL and DE ANZA CAMPUS CENTERS
FLINT CENTER

The Enterprise Fund is accounted for in a manner whereby the total costs of providing goods and services are financed or recovered primarily through user charges. Enterprise operations are comprised of the Foothill and De Anza College Campus Centers and the Flint Center for the Performing Arts. The Campus Centers include the two Bookstores and De Anza Dining Services. Financial activity in the Enterprise Fund is measured by gross margins and net profit rather than by the governmental budget to actual measurement.

Foothill Enterprise Fund

Bookstore

Foothill Bookstore is budgeting a 15% increase in sales in 2017-18, with a slight increase due to the introduction of Inclusive Access. Total expenses are expected to increase slightly from 2016-17. A net profit of $10,390 has been budgeted for the year.

The Inclusive Access program is a new textbook model in collaboration with top publishers that converts books into digital content. All students in a class buy into the content, lowering the cost for everyone. All students in that class also get access to the content on the first day, and will not have to pay until after the tenth day of class. The digital content also includes Interactive Learning Platforms, such as Canvas.

Interactive Learning Platforms, or ILPs, are much more than just e-books. They are interactive software platforms developed to provide an enhanced learning experience beyond reading the test. They may include multi-media video and audio presentations and animation, and adaptive quizzes and homework sets which link directly to the related section of text when incorrect answers are given. They also allow for various levels of customization by the instructor, peer-to-peer sharing of notes, and the creation of digital flashcards that can be used with smartphone apps.

De Anza Enterprise Fund

Bookstore

Projected revenue is expected to be flat in 2017-18, but sales may be impacted by the decline in enrollment. Textbook rental income is expected to continue to decrease and Inclusive Access materials will increase. Inclusive access will provide our students a tremendous savings on course materials, but may cause a decrease in total revenue. The cost of sales is expected to decrease slightly and overall expenses are also expected to decrease. A net profit of $25,000 has been projected for the year.

Dining Services

Dining Services is projecting a decrease in sales of 6% due to lower enrollment. Total expenses are projected to be flat from 2016-17 due to higher salaries and benefits expenses, offset by lower operating expenses. Food costs are also projected to be flat from 2016-17. Dining Services collected $63,053 for outstanding vendor receivables, which offset the drop in sales. A conservative net profit of $76,012 has been projected for the year.

Combined Bookstore & Dining Operations

A net profit of $101,012 has been budgeted for the De Anza Campus Center:

- Bookstore – $25,000 Net Profit
- Dining Services – $76,012 Net Profit

Flint Center Fund

Flint Center revenue for the second quarter was higher than projected due to the reopening of the Flint Parking Structure and strong suite sales. Expenses remain in line with the adopted budget. As a result, a net profit of $14,613 is projected for fiscal year 2017-18.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

ENTERPRISE FUND

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	0	0	0	0%	0	0
Local Revenue	11,386,008	11,386,008	4,346,826	38%	11,420,010	(34,002)
TOTAL REVENUE	**$ 11,386,008**	**$ 11,386,008**	**$ 4,346,826**	**38%**	**$ 11,420,010**	**$ (34,002)**
EXPENSES						
Cost of Sales	$ 6,927,867	$ 6,927,867	$ 2,574,567	37%	$ 6,913,220	$ 14,647
Certificated Salaries	0	0	0	0%	0	0
Classified Salaries	2,271,096	2,271,096	994,461	44%	2,265,765	5,331
Employee Benefits	650,411	650,411	305,377	47%	649,086	1,325
Materials and Supplies	0	0	0	0%	0	0
Operating Expenses	1,469,269	1,469,269	543,379	37%	1,426,027	43,242
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 11,318,643**	**$ 11,318,643**	**$ 4,417,784**	**39%**	**$ 11,254,098**	**$ 64,545**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	(39,453)	(39,453)	(22,478)	57%	(39,897)	444
TOTAL TRFs/OTHER SOURCES	**$ (39,453)**	**$ (39,453)**	**$ (22,478)**	**57%**	**$ (39,897)**	**$ 444**
FUND BALANCE						
Net Change in Fund Balance	$ 27,912	$ 27,912	$ (93,436)		$ 126,015	$ 98,103
Beginning Balance, July 1	5,654,314	5,654,314	5,654,314		5,654,314	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 5,682,226**	**$ 5,682,226**	**$ 5,560,878**		**$ 5,780,329**	**$ 98,103**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

ENTERPRISE FUND - FOOTHILL

REVENUE		Adopted Budget		Revised Budget		Actual to Date	Percent to Date		Projected Total		Variance
Federal Revenue	$	0	$	0	$	0	0%	$	0	$	0
State Revenue		0		0		0	0%		0		0
Local Revenue		3,339,684		3,339,684		1,093,800	33%		3,339,684		0
TOTAL REVENUE	**$**	**3,339,684**	**$**	**3,339,684**	**$**	**1,093,800**	**33%**	**$**	**3,339,684**	**$**	**0**
EXPENSES											
Cost of Sales	$	2,542,143	$	2,542,143	$	859,191	34%	$	2,542,143	$	0
Certificated Salaries		0		0		0	0%		0		0
Classified Salaries		498,897		498,897		205,934	41%		498,897		0
Employee Benefits		147,301		147,301		69,848	47%		147,301		0
Materials and Supplies		0		0		0	0%		0		0
Operating Expenses		126,601		126,601		56,285	44%		126,601		0
Capital Outlay		0		0		0	0%		0		0
TOTAL EXPENSES	**$**	**3,314,942**	**$**	**3,314,942**	**$**	**1,191,258**	**36%**	**$**	**3,314,942**	**$**	**0**
TRANSFERS AND OTHER											
Transfers-in	$	0	$	0	$	0	0%	$	0	$	0
Other Sources		0		0		0	0%		0		0
Transfers-out		0		0		0	0%		0		0
Other Outgo		(14,352)		(14,352)		(9,915)	69%		(14,352)		0
TOTAL TRFs/OTHER SOURCES	**$**	**(14,352)**	**$**	**(14,352)**	**$**	**(9,915)**	**69%**	**$**	**(14,352)**	**$**	**0**
FUND BALANCE											
Net Change in Fund Balance	$	10,390	$	10,390	$	(107,373)		$	10,390	$	0
Beginning Balance, July 1		0		0		0			0		0
Adjustments to Beginning Balance		0		0		0			0		0
NET FUND BALANCE, June 30	**$**	**10,390**	**$**	**10,390**	**$**	**(107,373)**		**$**	**10,390**	**$**	**0**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

ENTERPRISE FUND - DE ANZA

REVENUE		Adopted Budget		Revised Budget		Actual to Date	Percent to Date		Projected Total		Variance
Federal Revenue	$	0	$	0	$	0	0%	$	0	$	0
State Revenue		0		0		0	0%		0		0
Local Revenue		7,504,133		7,504,133		2,943,339	39%		7,492,882		11,251
TOTAL REVENUE	**$**	**7,504,133**	**$**	**7,504,133**	**$**	**2,943,339**	**39%**	**$**	**7,492,882**	**$**	**11,251**
EXPENSES											
Cost of Sales	$	4,385,724	$	4,385,724	$	1,715,376	39%	$	4,371,077	$	14,647
Certificated Salaries		0		0		0	0%		0		0
Classified Salaries		1,750,749		1,750,749		777,068	44%		1,745,418		5,331
Employee Benefits		497,060		497,060		232,124	47%		495,735		1,325
Materials and Supplies		0		0		0	0%		0		0
Operating Expenses		797,337		797,337		221,520	28%		754,095		43,242
Capital Outlay		0		0		0	0%		0		0
TOTAL EXPENSES	**$**	**7,430,870**	**$**	**7,430,870**	**$**	**2,946,088**	**40%**	**$**	**7,366,325**	**$**	**64,545**
TRANSFERS AND OTHER											
Transfers-in	$	0	$	0	$	0	0%	$	0	$	0
Other Sources		0		0		0	0%		0		0
Transfers-out		0		0		0	0%		0		0
Other Outgo		(25,101)		(25,101)		(12,563)	50%		(25,545)		444
TOTAL TRFs/OTHER SOURCES	**$**	**(25,101)**	**$**	**(25,101)**	**$**	**(12,563)**	**50%**	**$**	**(25,545)**	**$**	**444**
FUND BALANCE											
Net Change in Fund Balance	$	48,162	$	48,162	$	(15,312)		$	101,012	$	52,850
Beginning Balance, July 1		3,276,788		3,276,788		3,276,788			3,276,788		0
Adjustments to Beginning Balance		0		0		0			0		0
NET FUND BALANCE, June 30	**$**	**3,324,950**	**$**	**3,324,950**	**$**	**3,261,476**		**$**	**3,377,800**	**$**	**52,850**

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

ENTERPRISE FUND - FLINT CENTER

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
State Revenue	0	0	0	0%	0	0
Local Revenue	542,191	542,191	309,687	57%	587,444	(45,253)
TOTAL REVENUE	**$ 542,191**	**$ 542,191**	**$ 309,687**	**57%**	**$ 587,444**	**$ (45,253)**
EXPENSES						
Cost of Sales	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Certificated Salaries	0	0	0	0%	0	0
Classified Salaries	21,450	21,450	11,459	53%	21,450	0
Employee Benefits	6,050	6,050	3,405	56%	6,050	0
Materials and Supplies	0	0	0	0%	0	0
Operating Expenses	545,331	545,331	265,574	49%	545,331	0
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 572,831**	**$ 572,831**	**$ 280,438**	**49%**	**$ 572,831**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ (30,640)	$ (30,640)	$ 29,249		$ 14,613	$ 45,253
Beginning Balance, July 1	2,377,526	2,377,526	2,377,526		2,377,526	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 2,346,886**	**$ 2,346,886**	**$ 2,406,775**		**$ 2,392,139**	**$ 45,253**

INTERNAL SERVICE
Fund 60

The purpose of this fund is to separately account for services provided on a district-wide basis. Costs associated with providing health benefits, workers' compensation, extended sick leave, and post-retirement benefits are to be accounted for in the Internal Service Fund, and an appropriate service rate is charged to each of the other funds.

In the past, this fund was used almost exclusively as an accounting convenience to charge benefits in one fund and then distribute them to all other funds. Any positive or negative ending balances were, and still are, closed to the General Purpose Fund at year-end.

The Rate Stabilization Fund (RSF) is accounted for within the Internal Service Fund. It is used to offset costs and stabilize the variable benefit rate increases so that increasing costs can be "smoothed out" more gradually, allowing time to adjust the plan and/or rates in an informed manner through the Joint Labor Management Benefit Committee (JLMBC). The RSF activity is reported on a calendar year basis to align with the benefit plan year. Final RSF benefit plan year balances are being reported in the second quarter report after plan year contributions and expenses were closed out in December. The 2017 benefit plan year was closed, leaving $9,012,205 in the RSF fund balance, which accounts for the majority of the fund balance of $9,981,889 as indicated for Fund 60 in the second quarter report.

Current Status:

No change from Adopted Budget.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 60 - INTERNAL SERVICE

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Contributions - Active Benefits	$ 43,480,299	$ 43,480,299	$ 21,228,026	49%	$ 43,480,299	$ 0
Contributions - Retiree Benefits	7,400,000	7,400,000	3,523,804	48%	7,400,000	0
Employee Contributions	5,350,000	5,350,000	2,628,377	49%	5,350,000	0
TOTAL REVENUE	**$ 56,230,299**	**$ 56,230,299**	**$ 27,380,207**	**49%**	**$ 56,230,299**	**$ 0**
EXPENSES						
Medical/Prescription/Vision/Dental	$ 29,320,757	$ 29,320,757	$ 14,250,393	49%	$ 29,320,757	$ 0
Retirement	23,968,533	23,968,533	10,853,478	45%	23,968,533	0
Worker's Comp/Ext Sk Lv/Vac Pay	2,185,700	2,185,700	679,651	31%	2,185,700	0
Unemployment Insurance	211,300	211,300	80,426	38%	211,300	0
Other	1,600,729	1,600,729	714,987	45%	1,600,729	0
TOTAL EXPENSES	**$ 57,287,018**	**$ 57,287,018**	**$ 26,578,935**	**46%**	**$ 57,287,018**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
Net Change in Fund Balance	$ (1,056,719)	$ (1,056,719)	$ 801,272		$ (1,056,719)	$ 0
Beginning Balance, July 1	9,180,617	9,180,617	9,180,617		9,180,617	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 8,123,898**	**$ 8,123,898**	**$ 9,981,889**		**$ 8,123,898**	**$ 0**

STUDENT FINANCIAL AID
Fund 74, 75

These funds are used for federal, state, and local financial aid programs. The federal programs include Pell Grants, Supplemental Educational Opportunity Grants (SEOG), and AmeriCorps community service initiative grants. The state programs include Extended Opportunity Programs and Services (EOPS) grants, Cal Grants, the Full-Time Student Success Grant (FTSSG), and the new Community College Completion Grant (CCCG). Local programs include a variety of scholarships.

Current Status:

In the second quarter, changes to the Student Financial Aid Fund include a revision to increase state revenue, with a corresponding increase to student grants in aid, for the Community College Completion Grant ($725,500) and for the 2017-18 Emergency Aid Grant ($223,403). The new Emergency Aid Grant provides one-time funding for emergency aid to students with an identified need, who are exempt from paying nonresident tuition and who applied for the Dreamer Act. Other changes include a transfer out to the General Purpose Fund for $27,647 to close out the Perkins student loan program. As a result, the Student Financial Aid Fund is projecting to end the fiscal year with a net change to fund balance of $27,647.

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 74, 75 - STUDENT FINANCIAL AID

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Federal Revenue	$ 20,621,796	$ 20,621,796	$ 8,135,943	39%	$ 20,621,796	$ 0
State Revenue	2,343,952	3,292,855	2,966,384	90%	3,292,855	0
Local Revenue	825,000	825,000	139,709	17%	825,000	0
TOTAL REVENUE	**$ 23,790,748**	**$ 24,739,651**	**$ 11,242,035**	**45%**	**$ 24,739,651**	**$ 0**
EXPENSES						
Certificated Salaries	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Classified Salaries	0	0	0	0%	0	0
Employee Benefits	0	0	0	0%	0	0
Materials and Supplies	0	0	26,560	0%	53,120	(53,120)
Operating Expenses	825,000	825,000	175,128	21%	771,880	53,120
Capital Outlay	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 825,000**	**$ 825,000**	**$ 201,688**	**24%**	**$ 825,000**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	(27,647)	(27,647)	100%	(27,647)	0
Other Outgo (Grants in Aid)	(22,965,748)	(23,914,651)	(9,285,809)	39%	(23,914,651)	0
TOTAL TRFs/OTHER SOURCES	**$ (22,965,748)**	**$ (23,942,298)**	**$ (9,313,456)**	**39%**	**$ (23,942,298)**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 0	$ (27,647)	$ 1,726,891		$ (27,647)	$ 0
Beginning Balance, July 1	55,866	55,866	55,866		55,866	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 55,866**	**$ 28,219**	**$ 1,782,758**		**$ 28,219**	**$ 0**

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OTHER TRUST (OPEB)
Fund 79

This fund reports funds that are set aside in an irrevocable trust to satisfy the district's unfunded liability related to Other Post-Employee Retirement Benefits (OPEB). In accordance with Governmental Accounting Standards (GASB) and other state government codes, the funds are invested in an IRS Section 115 trust fund, California Employers' Retiree Benefit Trust Fund (CERBT) under CalPERS. The OPEB actuarial accrued liability is $104,386,944 as of the latest actuarial study issued on April 16, 2016. The district has a 30-year funding plan to address the unfunded OPEB liability. This actuarial study and funding plan were prepared in accordance with GASB 45. The district will implement GASB 75, which will fully recognize the OPEB liability on the district's balance sheet in the annual audited financial statements for the year ending June 30, 2018. This should not affect the reporting of Fund 79 within the quarterly financials, which only presents the budget and income statement activity during the fiscal year.

Annually, this fund incurs minimal activity that consists of the district contribution, which is typically recorded in the second quarter, with investment income and administrative fees recorded in the fourth quarter of the fiscal year. On the next page is a historical summary of the irrevocable trust's activity, which reflects an estimated balance of $18,450,906 for fiscal year 2017-18. This summary will be adjusted for investment income and expenses at year-end.

For the 2017-18 fiscal year, we recommended a transfer of $1.5 million from the General Purpose Fund to the Other Trust Fund (OPEB) for contribution to the California Employers' Retiree Benefits Trust (CERBT) for Other Post-Employment Benefits (OPEB) liability. An agenda item was brought to the Board of Trustees in the second quarter authorizing the district to make this contribution.

Current Status:

No change from Adopted Budget.

	Contribution	Investment Income	Administrative Expense	Investment Expense	Balance
Balance					$4,724,776
2010-11	$400,000	$1,187,227	($7,001)		6,305,002
2011-12	250,000	17,217	(7,348)		6,564,871
2012-13	500,000	764,116	(10,916)		7,818,071
2013-14	1,500,000	1,551,327	(12,568)		10,856,830
2014-15	1,500,000	35,123	(11,948)		12,380,005
2015-16	1,500,000	119,591	(5,912)	(4,323)	13,989,362
2016-17	1,500,000	1,474,081	(7,242)	(5,295)	16,950,906
2017-18*	*$1,500,000*	*$-*	*$-*	*$-*	*$18,450,906*

Source: CERBT Annual Statements

* Projected

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT

2017-2018
Second Quarter Report

FUND 79 - OTHER TRUST (OPEB)

REVENUE	Adopted Budget	Revised Budget	Actual to Date	Percent to Date	Projected Total	Variance
Investment Revenue	$ 0	$ 0	$ 0	0%	$ 0	$ 0
TOTAL REVENUE	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
EXPENSES						
Administrative Expenses	$ 0	$ 0	$ 0	0%	$ 0	$ 0
Investment Expenses	0	0	0	0%	0	0
TOTAL EXPENSES	**$ 0**	**$ 0**	**$ 0**	**0%**	**$ 0**	**$ 0**
TRANSFERS AND OTHER						
Transfers-in	$ 1,500,000	$ 1,500,000	$ 1,500,000	100%	$ 1,500,000	$ 0
Other Sources	0	0	0	0%	0	0
Transfers-out	0	0	0	0%	0	0
Other Outgo	0	0	0	0%	0	0
TOTAL TRFs/OTHER SOURCES	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**100%**	**$ 1,500,000**	**$ 0**
FUND BALANCE						
Net Change in Fund Balance	$ 1,500,000	$ 1,500,000	$ 1,500,000		$ 1,500,000	$ 0
Beginning Balance, July 1	16,950,906	16,950,906	16,950,906		16,950,906	0
Adjustments to Beginning Balance	0	0	0		0	0
NET FUND BALANCE, June 30	**$ 18,450,906**	**$ 18,450,906**	**$ 18,450,906**		**$ 18,450,906**	**$ 0**

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SUPPLEMENTAL INFORMATION

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Quarterly Financial Status Report, CCFS-311Q

VIEW QUARTERLY DATA

CHANGE THE PERIOD

Fiscal Year: 2017-2018

District: (420) FOOTHILL-DEANZA

Quarter Ended: (Q2) Dec 31, 2017

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2014-15	Actual 2015-16	Actual 2016-17	Projected 2017-2018

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

Line	Description	Actual 2014-15	Actual 2015-16	Actual 2016-17	Projected 2017-2018
A.	**Revenues:**				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	190,596,965	219,047,009	205,052,448	203,299,851
A.2	Other Financing Sources (Object 8900)	125,554	4,115,024	1,773,278	0
A.3	**Total Unrestricted Revenue (A.1 + A.2)**	190,722,519	223,162,033	206,825,726	203,299,851
B.	**Expenditures:**				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	175,648,496	196,733,808	205,519,328	201,331,668
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	12,163,077	16,089,377	9,417,328	6,859,997
B.3	**Total Unrestricted Expenditures (B.1 + B.2)**	187,811,573	212,823,185	214,936,656	208,191,665
C.	**Revenues Over(Under) Expenditures (A.3 - B.3)**	2,910,946	10,338,848	-8,110,930	-4,891,814
D.	**Fund Balance, Beginning**	53,388,286	56,299,232	66,638,080	58,527,969
D.1	Prior Year Adjustments + (-)	0	0	819	0
D.2	**Adjusted Fund Balance, Beginning (D + D.1)**	53,388,286	56,299,232	66,638,899	58,527,969
E.	**Fund Balance, Ending (C. + D.2)**	56,299,232	66,638,080	58,527,969	53,636,155
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	30%	31.3%	27.2%	25.8%

II. Annualized Attendance FTES:

Line	Description	Actual 2014-15	Actual 2015-16	Actual 2016-17	Projected 2017-2018
G.1	**Annualized FTES (excluding apprentice and non-resident)**	27,353	27,353	25,967	25,108

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

Line	Description	As of the specified quarter ended for each fiscal year			
		2014-15	2015-16	2016-17	2017-2018
H.1	Cash, excluding borrowed funds		103,220,242	82,133,773	36,512,174
H.2	Cash, borrowed funds only		0	0	0
H.3	Total Cash (H.1+ H.2)	82,515,625	103,220,242	82,133,773	36,512,174

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
I.	**Revenues:**				
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	202,276,280	202,574,440	97,152,387	48%
I.2	Other Financing Sources (Object 8900)	0	0	0	
I.3	**Total Unrestricted Revenue (I.1 + I.2)**	202,276,280	202,574,440	97,152,387	48%
J.	**Expenditures:**				
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	202,874,632	201,196,058	92,070,134	45.8%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	6,883,263	6,859,997	3,769,528	54.9%
J.3	**Total Unrestricted Expenditures (J.1 + J.2)**	209,757,895	208,056,055	95,839,662	46.1%
K.	**Revenues Over(Under) Expenditures (I.3 - J.3)**	-7,481,615	-5,481,615	1,312,725	
L	Adjusted Fund Balance, Beginning	58,527,969	58,527,969	58,527,969	
L.1	**Fund Balance, Ending (C. + L.2)**	51,046,354	53,046,354	59,840,694	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	24.3%	25.5%		

V. Has the district settled any employee contracts during this quarter? NO

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

Contract Period Settled (Specify) YYYY-YY	Management		Academic				Classified	
			Permanent		Temporary			
	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
a. SALARIES:								
Year 1:								
Year 2:								
Year 3:								
b. BENEFITS:								
Year 1:								
Year 2:								
Year 3:								

** As specified in Collective Bargaining Agreement or other Employment Contract*

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

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.)? **NO**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

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.)

Board has approved a 3-year phased plan to redı
time, the district will rely on reserves to balance t

RESOLUTION
2018-03

Whereas, Title V, Section 58199, requires that the total amount budgeted as the proposed expenditure of the district for each major classification of district expenditures listed in the district budget forms shall be the maximum amount which may be expended for that classification of expenditures for the school year, and

Whereas, the district has reserves in excess of the amount required by Board policy, and

Whereas, the Board of Trustees by resolution may provide for budget revisions,

Be it therefore resolved, that the budget revisions be approved as follows:

BUDGET REVISIONS

The major elements of our budget revisions are listed below. The descriptions contain amounts for each type of budget revision; the tables represent the net revisions to each classification of expenditure.

Fund 114 - General Purpose Fund

The major revisions to the General Purpose Fund include an increase to campus revenue, with a corresponding increase to the operating expenses category ($199,393); an increase to local revenue for the sale of surplus items, with a corresponding increase to the operating expenses category ($36,417); an increase to local revenue for revenue received from De Anza Student Accounts for student tutors, with corresponding increases to the salaries and benefits categories ($14,082); an increase to local revenue for a procard rebate, with a corresponding increase to the operating expenses category ($8,267); and a transfer in from the Student Financial Aid Fund to close out the Perkins student loan program, with a corresponding increase to the operating expenses category ($27,647).

Sources Account Series					**Uses Account Series**				
0xxx	-	Revenue	$	258,160	2000	-	Classified Salaries	$	13,521
8900	-	Transfers/Other Sources		27,647	3000	-	Employee Benefits		561
					5000	-	Operating Expenses		271,725
Totals			**$**	**285,807**				**$**	**285,807**

Fund 115 - Self-Sustaining Fund

The major revisions to the Self-Sustaining Fund include an increase to local revenue for revenue received from the Foundation for Foothill Theatre Arts, with a corresponding increase to the operating expenses category ($40,000).

Sources Account Series					**Uses Account Series**				
0xxx	-	Revenue	$	40,000	5000	-	Operating Expenses	$	40,000
Totals			**$**	**40,000**				**$**	**40,000**

Fund 74, 75 - Student Financial Aid Fund

The major revisions to the Student Financial Aid Fund include increases to state revenue for the Community College Completion Grant ($725,500) and the 2017/18 Emergency Aid Grant (223,403), with corresponding increases to student grants in aid, and a transfer out to the General Purpose Fund to close out the Perkins student loan program ($27,647).

Sources Account Series			**Uses Account Series**		
0xxx - Revenue	$	948,903	7000 - Student Grants in Aid	$	948,903
Decrease in Fund Balance		27,647	7000 - Transfers/Other Outgo		27,647
Totals	**$**	**976,550**		**$**	**976,550**

AYES ________________
NOES ________________
ABSENT ________________

Passed and adopted by the Governing Board of the Foothill-De Anza Community College District at a meeting held on March 5, 2018.

____
Judy C. Miner, Ed.D.
Secretary to the Board

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RESOLUTION
2018-04

Whereas, Title V, Section 58199, requires that the total amount budgeted as the proposed expenditure of the district for each major classification of district expenditures listed in the district budget forms shall be the maximum amount which may be expended for that classification of expenditures for the school year, and

Whereas, the Board of Trustees, by resolution, approved by a majority of the members, may provide for the transfer between expenditure classifications,

Be it therefore resolved, that transfers between expenditure classifications be approved as follows:

BUDGET TRANSFERS

Fund 114 - General Purpose Fund

From Account Series			**To Account Series**		
5000 - Operating Expenses	$	292,112	1000 - Certificated Salaries	$	195,453
			2000 - Classified Salaries		50,320
			3000 - Employee Benefits		46,338
Totals	**$**	**292,112**		**$**	**292,112**

Fund 122 - Special Education Fund

From Account Series			**To Account Series**		
5000 - Operating Expenses	$	22,292	2000 - Classified Salaries	$	16,967
			3000 - Employee Benefits		5,325
Totals	**$**	**22,292**		**$**	**22,292**

AYES ____________
NOES ____________
ABSENT ____________

Passed and adopted by the Governing Board of the Foothill-De Anza Community College District at a meeting held on March 5, 2018.

____
Judy C. Miner, Ed.D.
Secretary to the Board

Fund 115 - Self-Sustaining Fund
Fund Balance Report for Fiscal Year 2017-18
Ending Balance Reported as of December 31, 2017

Fund	Fund Description	Beginning Balance	Net Change	Ending Balance
Foothill Funds				
115000	Apprenticeship-Foothill	1,165,076.32	1,443,427.29	2,608,503.61
115001	Apprenticeship-Foothill Unrest cont	372,252.54	0.00	372,252.54
115029	FH-Celebrity Forum I - 17/18 Season	0.00	172,414.41	172,414.41
115039	FH-Celeb Forum II - 17/18 Season	0.00	345,982.37	345,982.37
115050	Anthropology - Field work	5,453.27	(343.94)	5,109.33
115051	Anthrop Campus Abroad Reserve	25,367.54	(4,936.40)	20,431.14
115063	Off Cmp Short Courses Dental Hyg	5,521.74	2,772.60	8,294.34
115105	FH-Youth Program	26,295.31	0.00	26,295.31
115111	Box Office - Foothill	66,076.82	0.00	66,076.82
115112	Xerox - Foothill	9,160.69	0.00	9,160.69
115113	Stage Studies - Foothill	18,747.56	0.00	18,747.56
115114	Drama Production-Foothill	12,620.00	22,203.87	34,823.87
115115	Facilities Rental-FH Fine Arts	181,386.75	25,022.22	206,408.97
115116	Vending - Foothill	2,243.57	0.00	2,243.57
115117	Facilities Rental Foothill	366,841.91	270,434.92	637,276.83
115119	International Programs	485,260.04	(31,999.63)	453,260.41
115122	FH International Student Hlth Svcs	22,079.61	0.00	22,079.61
115127	FH Ctis Msdn Sftware	7,956.62	0.00	7,956.62
115132	FH Franklin University	255.75	(255.75)	0.00
115135	Child Development Conference	8,559.01	0.00	8,559.01
115138	KFJC Carrier	29,558.83	0.00	29,558.83
115140	Creative Writing conference	2,362.29	0.00	2,362.29
115142	FH-MAA Health Services	151,328.57	0.00	151,328.57
115146	FH-MAA Program	60,174.15	0.00	60,174.15
115147	Youth Program-Middlefield Campus	12,757.39	0.00	12,757.39
115148	Vending-Sunnyvale Center	46,147.51	977.39	47,124.90
115149	FH Community Education	13,040.50	799.82	13,840.32
115151	Contract Ed	29,250.67	(4,036.42)	25,214.25
115171	President's Fund Foothill	561.14	0.00	561.14
115175	FH-Athletics General	28,433.11	19,325.63	47,758.74
115176	FH-Athletics - Teams	106.27	0.00	106.27
115177	FH-Football	5,507.62	(3,153.00)	2,354.62
115178	FH-Men's Basketball	1,591.97	(327.37)	1,264.60
115179	FH-Women's Basketball	31.47	0.00	31.47
115180	FH-Softball	5,260.11	0.00	5,260.11
115181	FH-Volleyball	105.78	170.23	276.01
115182	FH-Aquatics	4,618.88	(1,041.44)	3,577.44
115183	FH-Dance	10,861.66	0.00	10,861.66
115184	FH-KCI Community Ed Classes	26,098.97	5,856.69	31,955.66
115187	FH Food Concessionaires	247,436.97	(38,163.33)	209,273.64
115191	FH-Workforce Development	55,959.23	0.00	55,959.23
115192	FH-Corporate Internship Program	23,351.85	0.00	23,351.85
115300	FH-MAA Counseling & Matriculation	2,961.03	0.00	2,961.03
	Foothill Total:	**3,538,661.02**	**2,225,130.16**	**5,763,791.18**
De Anza Funds				
115200	DA-La Voz Newspaper	402.33	2,634.62	3,036.95
115201	DA-Apprenticeship	123,746.05	(5,406.15)	118,339.90
115202	DA-MCNC/CACT Partnrs	5,248.22	0.00	5,248.22
115204	DA-Cheap	1,675.00	0.00	1,675.00
115205	DA-APALI	31,691.63	0.00	31,691.63
115206	DA-Job Fair	31,072.19	0.00	31,072.19
115207	DA-Telecourse Produc	110.62	0.00	110.62
115208	DA-Technology Rsces	9,969.37	0.00	9,969.37
115210	DA-Reprographics	166,906.20	(30,486.01)	136,420.19
115212	DA-Physical Educ	26,842.01	0.00	26,842.01
115213	DA-Ashland Field Trp	5,691.45	0.00	5,691.45
115216	DA-Planetarium	390,412.46	(143,487.00)	246,925.46
115218	DA-Short Courses	0.00	96,762.91	96,762.91
115219	DA-Creative Arts Fac Use	5,591.75	0.00	5,591.75
115220	DA-Comm Serv Reserve	0.00	125,000.00	125,000.00
115221	DA-Intl Student Ins	578,779.92	(90,522.63)	488,257.29
115222	DA-Extended Yr Progr	2,251,013.52	(171,576.82)	2,079,436.70
115224	DA-Summer Karate Cmp	252.22	0.00	252.22

Fund 115 - Self-Sustaining Fund
Fund Balance Report for Fiscal Year 2017-18
Ending Balance Reported as of December 31, 2017

Fund	Fund Description	Beginning Balance	Net Change	Ending Balance
De Anza Funds, Con't.				
115225	DA-DLC Extended Lrng	11,931.97	0.00	11,931.97
115226	DA-Use Of Facilities	895,055.19	129,284.16	1,024,339.35
115227	DA-Library Print Card	682.62	0.00	682.62
115228	DA-Baseball	9,626.44	(1,193.34)	8,433.10
115229	DA-Audio Visual	3,684.73	0.00	3,684.73
115230	DA-RLCC Conference	1,629.62	0.00	1,629.62
115231	DA-Softball	0.00	2,076.25	2,076.25
115232	DA-Football	2,700.14	2,093.55	4,793.69
115233	DA-Men's Basketball	2,984.26	(1,580.71)	1,403.55
115234	DA-Women's Bsktball	0.00	3,640.25	3,640.25
115235	DA-Men's Soccer	13,944.78	(5,888.78)	8,056.00
115236	DA-Women's Soccer	7,268.66	482.34	7,751.00
115238	DA-Men's Tennis	200.84	0.00	200.84
115239	DA-Women's Tennis	2,262.26	(443.54)	1,818.72
115240	DA-Women's Trk & Fld	7,385.87	(327.48)	7,058.39
115241	DA-Women's Volleybll	10,852.99	(7,498.88)	3,354.11
115243	DA-Health Services	170,152.28	(78,852.59)	91,299.69
115244	DA-Soccer Camp	5,438.35	0.00	5,438.35
115245	DA-Prevention Trust	14,891.09	3,045.99	17,937.08
115246	DA-Athletics Trust	26,179.48	10,509.46	36,688.94
115247	DA-ESL	1,967.61	0.00	1,967.61
115249	DA President Fund	157.57	0.00	157.57
115252	DA-Intl Summer Progr	84,190.69	7,697.36	91,888.05
115253	OTI-MAA Program	61,896.48	0.00	61,896.48
115254	DA-ATM Services	47,500.00	0.00	47,500.00
115259	DA-Dist Learn Testing	324.54	0.00	324.54
115260	DA-Office of Instruction	4,347.90	0.00	4,347.90
115261	DA-Massage Therapy Proj	624.39	130.00	754.39
115262	DA-Men's Track & Field	2,508.33	641.50	3,149.83
115263	DA-Women's Water Polo	47,836.05	166.65	48,002.70
115266	DA-Women's Badminton	18,840.42	6,382.64	25,223.06
115267	Equipment Room	130.00	0.00	130.00
115268	DA VPAC Facility Rent	127,433.54	36,789.47	164,223.01
115271	DA-Fitness Center Membership	140,676.75	10,982.50	151,659.25
115272	DA-Campus Abroad - Vietnam	0.00	10,500.00	10,500.00
115273	DA CDC Medical Admin Activits MAA	35,599.38	(3,500.00)	32,099.38
115274	DA-Vocal Music	3,247.36	351.00	3,598.36
115275	DA-Chamber Orchestra	2,424.12	440.00	2,864.12
115276	DA-Creative Arts	5,120.58	0.00	5,120.58
115277	DA-Dance	26,340.80	0.00	26,340.80
115278	DA-Jazz Instrumental	2,565.36	440.00	3,005.36
115279	DA-Patnoe	7,234.15	0.00	7,234.15
115280	DA-Wind Ensemble	372.15	165.00	537.15
115283	PE Facilities Rental	339,696.29	6,992.75	346,689.04
115284	DA-Ceramics	5,386.67	1,786.06	7,172.73
115285	DA-Photography	2,607.00	510.00	3,117.00
115286	DA-Euphrat Museum	48,666.37	40,708.70	89,375.07
115287	DA-ePrint	8,669.79	(950.00)	7,719.79
115288	DA-PE Facilities Transfer	0.00	3,104.00	3,104.00
115289	DA-MCNC	51,054.81	18,696.89	69,751.70
115293	DA-College Life Vending	10,566.54	1,964.70	12,531.24
115294	DA-Red Wheelbarrow	0.00	1,950.26	1,950.26
	De Anza Total:	**5,904,262.15**	**(15,784.92)**	**5,888,477.23**
District Funds				
115401	Intl Student Insurance	0.00	2,679,061.20	2,679,061.20
115412	Computer Loan Prog-Admin	200,000.00	0.00	200,000.00
115413	Computer Loan Prog-Fee	33,244.14	1,175.00	34,419.14
	District Total:	**233,244.14**	**2,680,236.20**	**2,913,480.34**
	Fund 115 Total:	**9,676,167.31**	**4,889,581.44**	**14,565,748.75**

CAPITAL PROJECTS SUMMARY
December 31, 2017

Fund	Banner Organization	Project Description	Project Budget	Project-To-Date Activity: Actual Expenditures	Project-To-Date Activity: Outstanding Encumbrances	Project-To-Date Activity: Total Obligations	Available Balance
Foothill Projects							
412001	133001	FH Campus Center Projects	405,000	24,791	0	24,791	380,209
412002	110001	FH-Facilities/Equipment Maintenance	2,227,035	126,066	27,901	153,966	2,073,069
412003	110001	FH Athletic Facilities Maintenance	200,000	0	0	0	200,000
412005	110001	FH Soccer Field Replacement	1,600,000	73,286	1,734,264	1,807,550	(207,550)
412006	110001	FHDA Ed Center Eq/Facilities Main	1,100,000	1,177	0	1,177	1,098,823
412008	110001	FH Safety & Maintenance Projects	1,692,537	2,318	0	2,318	1,690,219
412009	110001	FH Refinsh Gym Floors (2500 & 2600)	0	5,267	0	5,267	(5,267)
412104	114118	FH Faculty Ergonomic Furniture	118,784	111,219	0	111,219	7,565
412107	114118	FH Copier	231,939	210,602	0	210,602	21,337
412122	412030	FH Energy Metering	53,349	1,450	0	1,450	51,899
412141	114118	02/04 FH Instructional Equipment	25,806	9,036	0	9,036	16,771
412152	511036	FH Parking Projects	493,563	487,632	0	487,632	5,931
412164	114118	#6715 Shed PE Eq Sto	30,226	20,000	0	20,000	10,226
412167	113006	FH Screen Door	73,000	61,154	0	61,154	11,846
412507	412030	FH Electric Vehicle ChargingStations	118,000	57,969	54,420	112,389	5,611
		Foothill Projects Total:	*11,882,776*	*4,705,503*	*1,816,585*	*6,522,088*	*5,360,688*
De Anza Projects							
411203	210002	DA-Facilities/Equipment Maintenance	3,064,433	1,390,410	53,532	1,443,942	1,620,491
411212	236502	E2 Bldg Reno (HaasFNDNGrant12/2015)	0	147,789	301,155	448,944	(448,944)
411506	412030	DA ATC Boiler Replacement	388,020	388,020	0	388,020	0
411507	412030	DA Cogen System HHW Modifications	323,046	374,376	1,700	376,076	(53,030)
411509	412030	DA SciCtrChiller SM471008 P39415204	389,242	173,043	0	173,043	216,199
		De Anza Projects Total:	*12,445,761*	*10,754,658*	*356,387*	*11,111,046*	*1,334,716*
Central Services Projects							
410100	412030	DA ATC Temporary Boiler Rental	50,000	35,408	0	35,408	14,592
410121	412030	FH Parking Lot 2A Repair	60,000	49,480	0	49,480	10,520
410122	412030	DA Repair Sanitary Sewer South Side PE6	30,000	52,544	0	52,544	(22,544)
410123	412030	FH & DA Swimming Pool Repair	15,000	18,978	0	18,978	(3,978)
410124	412030	DA Lift Stations	0	2,325	0	2,325	(2,325)
413020	411001	Business Services Project	3,099,256	87,256	0	87,256	3,012,000
413021	411001	New District Office Bldg FF&E	1,335,677	27,762	23,000	50,762	1,284,914
413121	412030	MM DW Roadway Parking Walkways	270,000	114,827	0	114,827	155,173
413122	412030	MM DW Utility Infrastructure	223,171	490,183	0	490,183	(267,012)
413123	412030	MM DW Building Maintenance	177,941	184,178	0	184,178	(6,237)
413124	412030	FH Grounds Major Maintenance	50,715	73,652	0	73,652	(22,936)
413125	412030	EEP Project Development & Managemnt	440,407	274,548	0	274,548	165,859
413128	412030	Diesel Fuel Tanks	250,000	240,839	0	240,839	9,161
413129	412030	DW Portable Backup Generators	175,000	132,451	0	132,451	42,549
413130	412030	DW Planning & Engineering Consulting Svc	270,713	84,593	1,520	86,113	184,600
413132	412030	DW Parking Structure Maintenance	100,000	0	0	0	100,000
413133	412030	DW Exterior Building Refinishig	100,000	0	0	0	100,000
413134	412030	Onizuka AFS Demolition Activities	218,719	0	0	0	218,719
413135	412030	Plant Services Record Document Mgmt	205,000	218,021	0	218,021	(13,021)
413136	412030	Project Development and Management	145,000	357,998	0	357,998	(212,998)
413138	412030	FH Grounds & Custodial Barn Remodel	0	35,201	0	35,201	(35,201)
413406	411001	District Office/Swing Space	1,350,000	1,332,175	21,169	1,353,343	(3,343)
413500	412030	Energy Efficiency Program	247,840	166,336	0	166,336	81,504
413501	412030	Energy Conservation Study	30,000	22,715	0	22,715	7,285
413502	412030	EH & S Compliance	271,139	259,219	0	259,219	11,920
413503	412030	Central Services Vending Misr Snsrs	0	0	0	0	0
413505	412030	BldgSystms Measurement&Verification	0	21,675	0	21,675	(21,675)
413506	412030	Building Controls Support Services	0	7,754	0	7,754	(7,754)

CAPITAL PROJECTS SUMMARY
December 31, 2017

Fund	Banner Organization	Project Description	Project Budget	Project-To-Date Activity: Actual Expenditures	Outstanding Encumbrances	Total Obligations	Available Balance
413507	412030	Energy Storage Evaluation Phase I	20,000	15,000	0	15,000	5,000
413508	412030	PreP39 CleanEnergy Proj Development	50,956	1,281	2,000	3,281	47,675
413513	411001	Capital Project Clearing	122,382	0	0	0	122,382
414305	431006	ETS Commissioning	304,970	304,970	0	304,970	0
414306	411001	Data Center ETS Equipment	548,190	520,708	71,883	592,591	(44,401)
414307	431006	EmergencyCommunicationSysConsulting	117,220	66,400	57,820	124,221	(7,001)
		Central Services Projects Total:	*10,707,840*	*5,627,020*	*177,392*	*5,804,412*	*4,903,429*
Scheduled Maintenance							
471007	211001	14/15SMDARpntExtScienceCtrBldSC123	218,315	214,176	0	214,176	4,139
471008	211001	14/15SMDARplcChillerScienceCtrSC2	412,933	412,933	0	412,933	0
471009	211001	14/15SMDA Pool Boiler MechUpgrades	115,975	114,975	0	114,975	1,000
471013	211001	15/16SMDARooftopcurbStr(SciCtrSC2)	183,925	174,631	0	174,631	9,295
471014	211001	15/16SMDA Fire Riser	165,845	90,061	0	90,061	75,784
471015	211001	15/16SMDA SciCtrBldg StructureUpgrd	440,007	426,005	1,440	427,445	12,563
471016	211001	15/16SMDAExteriorPaintng Kirsch&LCW	132,375	132,375	0	132,375	0
471017	211001	15/16SMDAHVACUpgrdLearningCtrW(LCW)	71,500	56,600	6,900	63,500	8,000
471020	211001	15/16SMDABldg&PWYSiteLightingCWC276	267,118	0	267,118	267,118	0
471021	211001	15/16SMDARefnshFloors(CaHistoryCtr)	11,000	6,450	0	6,450	4,550
471022	211001	16/17SMDATile Roof Replacement(CDC)	656,000	228,597	236,653	465,250	190,750
471023	211001	16/17SMDAFlat Roof Replacement(CDC)	656,000	360,620	87,350	447,970	208,030
471024	211001	16/17SMDA Chiller Replacement (ATC)	250,000	0	0	0	250,000
471025	211001	16/17SM DA Door Rplcmnt(Campuswide)	28,000	27,875	0	27,875	125
471026	211001	16/17SMDARoofngReprs&ReplacementSCC	601,200	15,160	0	15,160	586,040
471027	211001	16/17SMDARplcRoofAcce&RprParapetSCC	200,000	0	0	0	200,000
471028	211001	16/17SM DA Tennis Court Resurfacing	164,800	0	0	0	164,800
471029	211001	16/17SMDARefnshWoodFlooring PE1&PE2	15,000	15,000	0	15,000	0
471030	211001	16/17SMDASiteLightngRplc&RprsCWC276	47,714	47,714	0	47,714	0
472007	412030	08-09 Scheduled Maintenance SB1133	121,359	0	0	0	121,359
472020	110001	15/16SMFH ExtPainting&Glu-Lam Reprs	0	0	0	0	0
472027	110001	16/17SMFHHVACRplcAppreHall1500C100Q	350,000	0	350,000	350,000	0
472028	110001	16/17SMFHRoofRplcAppreHall1500C100Q	350,000	0	350,000	350,000	0
472029	110001	16/17SMFHRoofRplcMechRmBld2600C100R	30,000	30,000	0	30,000	0
472030	110001	16/17SMFHRplcFlatBultUpRfB2500C100U	0	0	0	0	0
472031	110001	1617SMFHRplcRoofng&AsocCmp2500C100U	534,810	2,105	139,335	141,440	393,370
472032	110001	16/17SMFHRfnshFlooringBldg2500&2600	11,000	11,000	0	11,000	0
472034	110001	16/17SMFH Wheelchair Lift Rplc-CW	220,000	0	220,000	220,000	0
473005	412030	16/17 Scheduled Maint One-Time Pool	0	0	0	0	0
473007	412030	17/18 Scheduled Maint One-Time Pool	571,417	0	0	0	571,417
		Scheduled Maintenance Projects Total:	*12,371,599*	*7,911,582*	*1,658,796*	*9,570,378*	*2,801,221*
State Proposition							
415001	412030	State Proposition Fund	0	0	0	0	0
415102	110001	FH Bldg 2500 Gym Lighting Retrofits	91,586	70,857	0	70,857	20,729
415105	110001	FY14/15 FH B2600 Bym Lighting LEDs	129,861	108,068	0	108,068	21,793
415107	110001	FY15/16 FH B7400 MBCx	60,636	0	0	0	60,636
415108	110001	15/16FHB7400MeterngStudyBaselneEval	52,104	3,752	22,904	26,656	25,448
415109	110001	FY15/16 Exterior Lighting Retrofit	162,080	131,672	0	131,672	30,408
415208	211001	FY1516 DA Cogen MBCx	184,441	0	0	0	184,441
415209	211001	FY15/16 DA S-Quad MBCx	95,765	0	0	0	95,765
415210	211001	1516DACogenSQuadMtrngStudyBaslneEva	104,210	9,231	120,427	129,658	(25,448)
415302	412030	DW ASHRAE Level 2 Energy Audit	200,000	151,266	48,734	200,000	0
		State Proposition Projects Total:	*2,430,230*	*1,824,393*	*192,065*	*2,016,459*	*413,771*
		Total	49,838,207	30,823,157	4,201,226	35,024,383	14,813,824

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CAPITAL PROJECTS

- The second quarter ***Measure C*** supplemental reports will be posted on the BoardDocs website at the following URL:

  http://www.boarddocs.com/ca/fhda/Board.nsf/Public

  In the upper right corner of the web page, click on the "**Meetings**" button, then click "**2018**" and select "**Mar 13, 2018 (Tue)**" to pull up the Citizens' Bond Oversight Committee Agenda. Then click on "**View the Agenda**" and select "**Projects Financial Update**." From here, click the attachments to launch the reports.

  The Measure C reports will be available for viewing by Tuesday, March 13, 2018.

  (Please note that the Citizens' Bond Oversight Committee agendas, meeting minutes, annual reports and audit reports issued prior to June 10, 2014 can be accessed through the Measure C website at: http://measurec.fhda.edu/meeting-minutes-agendas/ .)