

**UPDATE:
KCTCS QUARTERLY FINANCIAL REPORT**

**Agenda Item K-6
March 13, 2009**

The financial statements depict activity through the second quarter of fiscal year 2008-09; the quarter ended December 31, 2008. Information for these statements was derived from the KCTCS Administrative Financial System.

The Statement of Revenues and Expenditures (Attachment A) reflects actual program and operational expenditures compared to the 2008-09 budget approved by the KCTCS Board of Regents June 13, 2008. This report reflects total revenues of \$407 million, 61 percent of the budgeted revenue and appropriated funds. The Statement of Revenues and Expenditures also reflects current fund expenditures and budget reserve through the second quarter of the fiscal year of \$311 million, 46 percent of the expenditures budgeted for the year. The Statement of Net Assets (Attachment B) reflects the overall financial position of the System and includes assets, liabilities, and net assets.

Attachment A

Kentucky Community and Technical College System Statement of Revenues and Expenditures

December 31, 2008

(in thousands)

| | <u>ORIGINAL BUDGET</u> | <u>REALIZED TO DATE</u> | <u>PERCENT</u> |
|--|----------------------------|-----------------------------|--------------------|
| REVENUES | | | |
| General Fund | | | |
| State Appropriations | \$ 219,317 | \$ 120,624 | 55% |
| Tuition and Charges | 173,419 | 152,502 | 88% |
| Investment Income | 10,402 | 2,085 | 20% |
| Governmental Grants and Contracts | 29,589 | 12,246 | 41% |
| Sales/Services educational Activity | 6,775 | 2,121 | 31% |
| Other | 47,461 | 21,990 | 46% |
| Total General Fund | 486,963 | 294,081 | 60% |
| Restricted Funds | 183,295 | 113,369 | 62% |
| Total Revenues and Appropriated Fund Balances | <u>\$ 670,258</u> | <u>\$ 407,450</u> | <u>61%</u> |
| EXPENDITURES BY PROGRAM | | | |
| Instruction | \$ 238,022 | \$ 99,418 | 42% |
| Public Service | 37,406 | 17,015 | 45% |
| Academic Support | 39,989 | 16,501 | 41% |
| Student Services | 43,432 | 21,458 | 49% |
| Institutional Support | 92,032 | 34,343 | 37% |
| Student Financial Aid | 142,556 | 79,594 | 56% |
| Operations & Maintenance | 59,333 | 25,044 | 42% |
| Total Expenditures by Program | 652,770 | 293,372 | 45% |
| Budget Reserve | <u>17,488</u> | <u>17,488</u> | <u>100%</u> |
| Total Expenditures and Budget Reserve | <u>\$ 670,258</u> | <u>\$ 310,860</u> | <u>46%</u> |
| Current Year Revenues in Excess of Expenditures | | <u>\$ 96,589</u> | |

Kentucky Community and Technical College System
Statement of Net Assets
December 31, 2008 and 2007
(in thousands)

| ASSETS | 2008 | 2007 |
|---|-------------------|-------------------|
| Current Assets | | |
| Cash and cash equivalents | \$ 198,440 | \$ 219,001 |
| Short-term investments | 38 | 354 |
| Loans, accounts and gifts receivable, net of bad debt allowances of \$2,496 and \$1,884 | 109,763 | 72,090 |
| Inventories and other | 1,015 | 2 |
| Total current assets | <u>309,256</u> | <u>291,447</u> |
| Noncurrent Assets | | |
| Restricted cash and cash equivalents | 17,642 | 54,585 |
| Loans and other receivables | 8,495 | 10,457 |
| Endowment investments | 20,555 | 28,247 |
| Other long-term investments | 27,045 | |
| Capital assets, net | 486,464 | 427,286 |
| Total noncurrent assets | <u>560,201</u> | <u>520,575</u> |
| Total assets | <u>869,457</u> | <u>812,022</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses | 2,539 | 3,617 |
| Employee withholdings and deposits | 12,111 | 11,915 |
| Compensated absences | 10,465 | 10,213 |
| Deferred revenue | 4 | 24 |
| Leases payable - current portion | 2,159 | 1,119 |
| Total current liabilities | <u>27,278</u> | <u>26,888</u> |
| Noncurrent Liabilities | | |
| Leases payable - noncurrent portion | 12,707 | 12,037 |
| Other long-term obligations | 27,417 | 2,887 |
| Total noncurrent liabilities | <u>40,124</u> | <u>14,924</u> |
| Total liabilities | <u>67,402</u> | <u>41,812</u> |
| NET ASSETS | | |
| Invested in capital assets, net of related debt | 471,599 | 414,131 |
| Restricted for: | | |
| Nonexpendable | | |
| Scholarships, instruction and other | 13,620 | 21,864 |
| Expendable | | |
| Scholarships, instruction, and other | 44,195 | 45,101 |
| Loans | 16,060 | 15,453 |
| Capital projects | 51,504 | 50,857 |
| Unrestricted | 205,077 | 222,804 |
| Total net assets | <u>\$ 802,055</u> | <u>\$ 770,210</u> |

