

**FRESNO UNIFIED SCHOOL DISTRICT
BOARD AGENDA ITEM**

AGENDA SECTION <i>(Check a Box Below)</i>			
A CONSENT	B DISCUSSION	C RECEIVE	RECOGNIZE/ PRESENT
	X		

AGENDA ITEM: B-15

Board Meeting Date: September 10, 2008

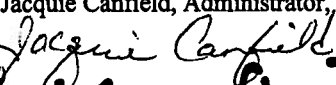

ACTION REQUESTED: <i>(Adopt, Approve, Ratify, Discuss, Receive etc.)</i>	APPROVE
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TITLE AND SUBJECT: Approve Unaudited Actual Financial Report for Fiscal Year 2007/08

DESCRIPTION/DISCUSSION: Included in the Board binders for the Board's consideration and approval is the 2007/08 Unaudited Actual Financial Report for Fresno Unified School District. This report represents the actual revenues, expenditures, and ending fund balance for all the District's funds for the fiscal year ended June 30, 2008.

Also included for the Board's information are ending fund balance summaries for all fund types and charter schools.

FINANCIAL SUMMARY: The estimated year-end actuals for 2007/08 were presented to the Board in June 2008 and reflected the net unrestricted ending fund balance projected at \$39.2 million. The actual net unrestricted ending fund balance for 2007/08 is \$41.1 million. As projected, the District's reserve for 2007/08 is above the 2% required level. The chart on the following page illustrates the different components of the Unrestricted General Fund ending balance at June 30, 2008.

PREPARED BY: Jacquie Canfield, Administrator, Fiscal Services <i>(Signature Required)</i> 	DIVISION: Administrative Services	PHONE: 457-3907
DIVISION APPROVAL:  Financial Officer/Associate Superintendent <i>(Signature Required by Associate Superintendent)</i>	SUPERINTENDENT APPROVAL:	

A full copy of the backup material is available in Fiscal Services Dept.

Unrestricted General Fund

Below is a chart outlining the components of the Unrestricted Ending Fund Balance.

Unrestricted General Fund Ending Balance 2007/08	
Revolving Cash	\$ 100,464
Inventory	3,351,593
Prepaid Expenses	31,892
Coregis Reserve	9,090,755
Technology Reserve	514,000
Other Designations	541,172
Instructional Supply Carryover	171,342
Donations	514,538
Reserve for Economic Uncertainties	41,074,374
Ending Fund Balance	\$ 55,390,130

The major differences from the estimated actuals to the unaudited actuals are:

1. **Local Income** – Increase of \$2.8 million over estimated actuals primarily due to three factors: additional non-agency activity; the better than estimated cash position in the unrestricted general fund resulting in increased interest income; and unanticipated one-time funds received for reimbursement of costs related to asbestos removal.
2. **State Income** – Higher than projected by \$300,000 mainly in Medi-Cal Administrative Activities program funds.
3. **Revenue Limit** – Exceeds estimated actuals by \$800,000 largely due to the higher than anticipated State funding for prior year Summer School and Community Day programs.
4. **Contribution from Unrestricted General Fund** – Greater than the estimated actuals by \$1.3 million as the result of an increased contribution to Special Education, a contribution for 9th grade Class Size Reduction (CSR), and one-time contributions for Williams Act emergency repairs. These increases were offset by \$600,000 in Transportation Department savings. The schedule on the following page lists the programs receiving contributions from the unrestricted general fund, and the actual contribution amounts.
5. **Expenses/Designated Funds** – Overall, expenditures were lower than anticipated by \$3 million. This is mainly due to funds being allocated but not yet expended for technology, athletic facilities, and the new enterprise resource planning system. These funds will be reallocated in the 2008/09 budget.

In addition to the items discussed above, the following information is provided for the Board:

Unrestricted Contributions towards Restricted Programs – Below is a list of the District’s unrestricted contributions to the following programs in 2007/08:

Restricted Program	General Fund Contribution
Certificated Staff Mentoring Program	\$ 130,974
Community Day Schools	428,050
District Block Grant-One Time	415,457
National Board Certification Teachers	838
Restricted Routine Maintenance	18,767,336
School Safety & Violence Prevention	7,028
School Site Block Grant	17,084
Special Education	20,677,834
Special Education - Infant Program	721,650
Transportation-Home To School	3,457,774
Transportation-Special Education	4,370,630
Williams Emergency Repairs	402,374
Total	\$ 49,397,029

Restricted General Fund

AB825 Block Transfer – Starting in the 2005/06 fiscal year, the State consolidated several categorical grants into five major block grants. They include:

- Teacher Credentialing Block Grant – Supports the BTSA program
- Professional Development Block Grant – Supports three days of buyback for our teaching staff
- Pupil Retention Block Grant – Supports the Continuation program
- School Improvement and Library Block Grant – Supports several of the Targeted Improvement Actions, the District’s CART equipment contribution, and school site budgets
- Targeted Instructional Improvement Block Grant – Supports Elementary Music and Magnet programs

AB825 allows districts to prioritize these funds and allows a 15% transfer out from the Targeted Instructional Improvement Block Grant and the School Improvement and Library Block Grant to increase any other program up to 20% of the original allocation. The chart on the next page identifies the actual AB825 transfers out and in for 2007/08.

	<u>Transfers Out</u>		<u>Transfers In</u>
Target Instructional Impr. Block Grant	\$ 794,880	Home-to-School Transportation	\$ 794,880
School Impr. Library Block Grant	521,579	Special Education Transportation	521,579
Professional Development Block Grant	287,246	Special Education	287,246
	<u>\$1,603,705</u>		<u>\$1,603,705</u>

The Restricted General Fund ending balance is composed of entitlement funds totaling approximately \$29.6 million as reflected in the chart below.

Restricted Entitlement Fund	Ending Balance 2007/08
Apprenticeship Program	\$ 117,146
Arts and Music Block Grant	1,705,022
Arts, Music, PE Supplies & Equip	5,560,881
CAHSEE	884,143
Cal Safe Child Care	289,979
Cal Safe Support Svc	22,935
Career Tech	242,349
Certificated Mentoring Program	19,753
EIA/LEP	2,561,374
EIA/SCE	1,649,975
ELAP Instructional Material	432,140
English Language Acquisition	1,073,417
GATE	125,476
Instructional Materials	1,394,297
Instructional Materials Library One-Time	559,984
Medi-Cal	212,523
PAR	72,258
Physical Education Teacher Incentive	945,000
Principal Training	219,938
QEIA	8,048,823
School Counseling Supplemental	1,014,475
School Site Block Grant	1,438,624
Staff Development Math Reading	501,290
Targeted Instructional Improvement Block Grant	478,934
Total	\$ 29,570,736

Reserve Levels – As previously reported to the Board, the District has six types of reserves. The following table lists the change in the reserve levels for 2007/08.

Reserve Type (in millions)	07/01/07	Increase	06/30/08	Recommended Level
Unrestricted General Fund	\$ 33.49	\$7.68	\$41.17	\$39.2 (5)
Workers' Compensation	\$ 24.83	\$5.86	\$30.69	\$35.79 (4)
General Liability Reserve	\$ 1.00	\$0.58	\$1.58	\$1.6 (4)
Health Fund IBNP (2)	\$ 8.29 (1)	\$4.21	\$12.5	\$12.5 (4)
Retiree Lifetime Health Liability	\$ 8.60	\$2.00	\$10.6	\$758.00 (4)
Health Fund Unencumbered Reserves	\$ 34.55	\$3.75	\$38.3	\$52.7 (3)

(1) July 1, 2007 balance is the June 30, 2007 ending balance per the 2006/07 Independent Auditor's Report, as is the recommended level.

(2) IBNP is an acronym for "Incurred But Not Paid" claims.

(3) Recommended level is provided by the Joint Health Management Board contracted consultant.

(4) Recommended level is provided by actuarial study.

(5) Represents the reserve level for economic uncertainties as presented to the Board in June 2008.

Other Funds' Ending Balances for 2007/08 -In addition to the General Fund information provided above, the following information is provided on the District's other fund types:

Other Funds	Beginning Fund Balance 2007/08	Net Change	Ending Fund Balance 2007/08
Adult Education	\$ 5,356,377	\$ 440,784	\$ 5,797,161
Child Development	\$ 86,741	\$ (43,678)	\$ 43,063
Deferred Maintenance	\$ 8,209,774	\$ (4,577,246)	\$ 3,632,528
State Building	\$ -	\$ -	\$ -
County School Facilities	\$ 3,442,698	\$ (19,759,101)	\$ (16,316,403)
Adult Education Building	\$ 3,807,078	\$ 187,607	\$ 3,994,685
Measure K Series D/E	\$ 42,135,406	\$ (10,144,732)	\$ 31,990,674
Capital Facilities (Developer Fees)	\$ 12,094,389	\$ 1,601,472	\$ 13,695,861
Special Reserve-1977/87 Measure A	\$ 1,953,593	\$ 669,025	\$ 2,622,618
Debt Service Fund	\$ 23,156,827	\$ (40,744)	\$ 23,116,083
1977/87 Tax Override	\$ 6,906,994	\$ (848,079)	\$ 6,058,915
Cafeteria Enterprise	\$ 24,525,202	\$ (6,030,909)	\$ 18,494,293
Health Benefits	\$ 42,866,420	\$ 18,530,254	\$ 61,396,674
Liability	\$ 1,001,399	\$ 210,589	\$ 1,211,988
Workers' Compensation	\$ (12,709,193)	\$ 7,610,005	\$ (5,099,188)
Defined Benefits Plan	\$ 6,940,806	\$ 755,519	\$ 7,696,325
COP Debt Service Fund	\$ 9,526,426	\$ -	\$ 9,526,426

Charter Schools - A summary of the ending balances for each of the charter schools is provided below.

Charter Schools	Beginning Fund Balance 2007/08	Net Change	Ending Fund Balance 2007/08
Fresno Prep	\$ 313,249	\$ 227,850	\$ 541,099
KIPP	\$ 587,053	\$ (128,348)	\$ 458,705
New Millennium	\$ 886,531	\$ 291,046	\$ 1,177,577
Sierra	\$ 536,636	\$ 158,961	\$ 695,596
SOUL	\$ 215,330	\$ (115,001)	\$ 100,329
University	\$ 310,570	\$ 210,315	\$ 520,885
Valley Prep	\$ 55,875	\$ (403,728)	\$ (347,853)
VASA	\$ -	\$ 17,336	\$ 17,336
Woodson	\$ 184,851	\$ (68,098)	\$ 116,753

Should the Board have any additional questions, please contact either Jacquie Canfield at 457-3907, or Ruth Quinto at 457-6225. Thank you.



Fresno Unified
School District

Preparing Career Ready Graduates

FRESNO UNIFIED SCHOOL DISTRICT

2007/08 UNAUDITED ACTUALS

FINANCIAL REPORT

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2007-08 Unaudited Actuals	2008-09 Budget
01	General Fund / County School Service Fund	GS	GS
09	Charter Schools Special Revenue Fund		
11	Adult Education Fund	G	G
12	Child Development Fund	G	G
13	Cafeteria Special Revenue Fund		
14	Deferred Maintenance Fund	G	G
15	Pupil Transportation Equipment Fund		
17	Special Reserve Fund for Other Than Capital Outlay Projects		
18	School Bus Emissions Reduction Fund		
19	Foundation Special Revenue Fund		
20	Special Reserve Fund for Postemployment Benefits		
21	Building Fund	G	G
25	Capital Facilities Fund	G	G
30	State School Building Lease-Purchase Fund	G	
35	County School Facilities Fund	G	G
40	Special Reserve Fund for Capital Outlay Projects	G	G
49	Capital Project Fund for Blended Component Units		
51	Bond Interest and Redemption Fund	G	G
52	Debt Service Fund for Blended Component Units		
53	Tax Override Fund	G	G
56	Debt Service Fund	G	G
57	Foundation Permanent Fund		
61	Cafeteria Enterprise Fund	G	G
62	Charter Schools Enterprise Fund		
63	Other Enterprise Fund		
66	Warehouse Revolving Fund		
67	Self-Insurance Fund	G	G
71	Retiree Benefit Fund		
73	Foundation Private-Purpose Trust Fund		
76	Warrant/Pass-Through Fund		
95	Student Body Fund		
51A	Analysis of Bonded Indebtedness	S	
53A	Analysis of Restricted Levies		
76A	Changes in Assets and Liabilities (Warrant/Pass-Through)	S	
95A	Changes in Assets and Liabilities (Student Body)		
A	Average Daily Attendance	S	S
ASSET	Schedule of Capital Assets	S	
CA	Unaudited Actuals Certification	S	
CAT	Categoricals - Federal/State/Local Grant Awards, Rev. & Exp.		
CEA	Current Expense Formula / Minimum Classroom Comp. - Actuals	GS	
CHG	Change Order Form		
CORR	Education of Adults in County Correctional Facilities		
DAY	Community Day Schools	S	
DEBT	Schedule of Long-Term Liabilities	S	
GANN	Appropriations Limit Calculations	GS	

G = General Ledger Data; S = Supplemental Data

Form	Description	Data Supplied For:	
		2007-08 Unaudited Actuals	2008-09 Budget
ICR	Indirect Cost Rate Worksheet	GS	
L	Lottery Report	GS	
NCMOE	No Child Left Behind Maintenance of Effort	GS	
PCRAF	Program Cost Report - Allocation Factors	GS	
PCR	Program Cost Report	GS	
RL	Revenue Limit Summary	S	S
SEA	Special Education Revenue Allocations	S	S
SEAS	SEA Form Setup (SELPA Selection)		
SIAA	Summary of Interfund Activities - Actuals	G	
TRAN	Annual Report of Pupil Transportation	GS	