**Finance Update, as of September 30, 2016:**

Overall operating income has increased by $7K and NOCCS is now forecasting to end the year with $21K in operating income.

September variances:

* In September 2016, the only major variance was line item 5872: Admin Fee and Set Aside.  This was due to SELPA changing their regulations and no longer collecting an ongoing set-aside fee; only an admin fee will be collected going forward.
* Other minor variances were prior year expenses that just came through (increasing forecast expenses by $756), and a $370 increase in staff recruiting due to an online job posting.  Kelly doesn’t foresee any more expenses in staff recruiting for the year at this point.

Our cash flow doesn’t look good.  Kelly has tried to conservatively forecast when our Prop 39 and PEC Grant funding will arrive, and I can provide more details in the meeting.  February and March 2017 are pretty lean.  The Board needs to start thinking seriously about increasing revenue and the finance committee will work to get the PEC grant sooner rather than later.

Kelly is going to run some projection scenarios to see how adding students and/or cutting expenses starting in 17-18 will increase our revenue and affect our cash flow.  I will provide this at the next Board meeting.