



FINANCIAL MANAGEMENT REVIEW
For the First Quarter 2008-2009
July, August & September 2008

INCOME

Operating Income

Dues Revenues *
 Other Income
 (Includes: Grants, Rebates, Contributions, Sponsorships,
 Advertising, Events, AFT & NEA/FEA Assistance.)
Total Income

EXPENSES

Wages, Taxes and Benefits **

Salaries
 Payroll Taxes
 Employee Benefits

Employee Expenses

(Includes: Mileage, Cellular Phones, Staff Travel)

Administrative Expenses

Includes: Insurance, Office Supplies, Printing, Postage, Telephone, Equipment
 Leases, Equipment Maintenance, Staff Development/Training.

Office Lease/Back-Lot Expenses

(Includes: Office Lease, Share of Building Operating Expenses, Back Lot
 Property Taxes, Maintenance and Insurance on the property)

Professional Services

(Includes: Consulting, Legal, Audit & Other Professional Services)

Member Benefits & Services (1)

Stewards Expenses
 Executive Board Expenses
 Legislative Action
 TSA/ESA Release Expenses **
 Communication & Organizing, Events, Community Support/Outreach, Contract
 Enforcement/Member Advocacy, Strategic Services, Planning, Negotiations,
 Internal Training, Scholarships, Conferences, Meetings & Workshops.

Per Capita

Current (Includes: AFT, FEA/NEA, National AFL-CIO, & Florida CLC)***

Total Operating Expenses

TOTAL OPERATING INCOME (LOSS)

Cash Flow Activities

Non Operating Expenses/Accruals

Contributions - Political
 Depreciation

Total Expenses & Non Operating Payments

Total Cash Before AFT Loans &

Per Capita Arrearage Obligations

First Quarter 2008-2009	
July, August & September 2008	
Actual	Budget
\$ 2,547,389	\$ 2,721,624
323,878	293,390
\$ 2,871,267	\$ 3,015,014
\$ 591,692	\$ 623,755
47,149	48,232
152,270	174,143
\$ 791,111	\$ 846,130
\$ 36,354	\$ 33,624
\$ 65,999	105,589
\$ 191,086	202,187
\$ 1,875	\$ 10,956
\$ 49,738	\$ 30,300
11,720	14,754
20,301	21,675
175,797	148,000
222,113	252,573
479,669	467,302
\$ 1,376,256	\$ 1,404,532
\$ 2,942,350	\$ 3,070,320
\$ (71,083)	\$ (55,305)
160,939	-
4,224	-
\$ 165,163	\$ -
\$ (236,246)	\$ -

(For Reporting Purposes Only)

Budget

* Dues revenue based on 14,450 FTE @ \$803.40 per year on accrual basis.

** TSA/ESA release expenses funds are approved to be utilized for employee hiring (wages, taxes & benefits) as needed.

*** Per Capita arrearage to AFT & FEA: \$3,626,427

(1) Monies generated from membership growth above 14,450 FTE are approved to be added into Member Benefits & Services.

The following is a summary of key financial points, highlights and achievements noted in reviewing our financial statements for the First Quarter 2008-2009, ending in September 30, 2008.

Membership

Actual: 17,278 Members. 13,555 FTE Members

Our records indicate that as of September 30, 2008, we have a total of 13,555 FTE (Full time equivalent), which includes full, 1/2 and 1/8 paid dues. UTD's budget is based on an FTE of 14,450. We show a negative variance of 945 FTEs due to changes on personnel at the beginning of the school year. Since we did not have New Teacher Orientation (NTO) at the usual time, in February 2009 when the NTO is scheduled, we will pick up more new members.

Income: Dues Revenue

Actual: \$2,547,389 Budget: \$2,721,624

During the First Quarter 2008-2009, we had dues revenue in the amount of \$2,547,389. We had an unfavorable variance due to the difference on membership from the budgeted FTE. We have deferred \$256,882 of income dues for the First Quarter 2008-2009, ending in September 30, 2008 to cover the summer months in which we will have zero income.

Other Income:

Actual: \$323,878 Budget: \$293,390

We have grouped the following items: AFT local assistance, contributions and sponsorships to the Annual Stewards Conference and advertising on the UTD Pocket Guide. Also included are interest earned on the sweep account and accrued interest on UTD Towers receivable. We also received FEA Grants & Rebates for the First Quarter 08-09. Interest income was higher than budgeted, giving us a favorable variance.

Wages, Taxes & Benefits:

Actual: \$791,111 Budget: \$846,130

Salaries are under budget for the First Quarter 2008-2009. The budget for those items is calculated in equal monthly amounts; therefore this variance will correct itself during the year.

Employee Expenses:

Actual: \$36,354 Budget: \$33,624

Actual expenses include mileage, cellular phones and travel. Variance is due to increase in organizing activity during this quarter.

Administrative Expenses:

Actual: \$65,999 Budget: \$105,589

We have a favorable variance with the budget due to the continued control in expenses at all levels. The processes and procedures of the Organization are consistently followed and all expenditures are going through a very stringent process in order to make up for the negative variance in income dues.

Office Lease/Back Lot Expenses:

Actual: \$191,086 Budget: \$202,187

Office Lease and Back Lot Expenses are under budget for the First Quarter 2008-2009. The budget for those items is calculated in equal monthly amounts; therefore this variance will correct itself during the year.

Professional Services:

Actual: \$1,875 Budget: \$10,956

Includes: Consulting and other professional expenses. All expenditures are going through a very stringent process in order to make up for the negative variance in income dues.

Member Benefits & Services:

Actual: \$479,669 Budget: \$467,302

Some of the programs and events are seasonal and for budget purposes, we spread the expenses evenly throughout the year; therefore, in the First Quarter 2008-2009, we are slightly under the budget. As programs and events develop, we will be applying these budget figures to cover the expenses.

Per Capita & Affiliated Expenses:

Actual: \$1,376,256 Budget: \$1,404,532

- Actual: \$632,830 AFT
- Actual: \$719,442 FEA / NEA
- Actual: \$23,984 AFL-CIO and South FL AFL-CIO

Variance with budget is due to the difference between FTE budget and FTE actual.

Total Operating Income (Loss):

Actual: \$-71,083 Budget \$-55,305

We finished the First Quarter 2008-2009 with a negative variance due to the decrease in membership and FTEs. Some of the difference was made up by decreasing Administrative Expenses and Professional Services.

Total Cash before AFT Loans & Per Capita Obligations:

Actual: \$-236,246

For the First Quarter 2008-2009, our total cash before AFT Loans and Per Capita Obligations was negative, but cash flow for the same period ending on September 30, 2008 shows a positive balance of over \$5 million dollars.

Cash Flow Activities:**Non Operating Expenses & Accruals:**

Actual: \$165,163

Depreciation of Fixed Assets has been calculated for the First Quarter 2008-2009 and added to this account. Depreciation expenses were not budgeted but are running at about \$1,500 per month. The amount of \$160,939 was a political contribution from UTD to the Teachers for Public School Excellence. Funds from our Revenue from Litigations and Settlements were used to cover this expense.

FINANCIAL POSITION:**Advances: Receivable from UTD Towers**

Actual balance: \$3,582,685 (Including Accrued Interest)

Includes advances paid by AFT for the Stanley Axlrod Towers Project.

Deferred Member Dues:

Actual balance: \$256,882

Affiliate Loans Payable:

Past due per capita dues payable are:

- AFT: \$2,135,150
- FEA: \$1,491,276

Loan for Operations payable to AFT:

- AFT: \$2,456,617

Includes advances paid on behalf of UTD Towers for the Stanley Axlrod Towers Project.

Cash Flow:

As of September 30, 2008, our bank balance was \$5,580,964, including a Certificate of Deposit in Commercial Bank for \$150,000. Our general payable liability was \$850,000.

Our actual results for the first 3 months of the fiscal year as well as our projections for the remainder of the year, show a positive operating income for the year ending 6/30/09.