

SAN JOAQUIN VALLEY COLLEGE - CONSOLIDATED

Certification of Formula Compliance for Comerica Bank

Year to Date - August 31, 2018

(000's)

Covenants

Minimum Composite Score (measured quarterly)

Calculated Score - Fiscal YTD	2.2	Consolidated
Required Minimum Score	1.5	
Difference	<u>0.7</u>	In Compliance

Debt Service Coverage Ratio (measured quarterly/trailing 12 months)

Net Profit+Depr+Other Non-Cash+Interest Expense		
-Dividends-Non-financed Capital Expenditures	1,826	
Current Portion of Long-Term Debt + Interest Expense	1,441	
Calculated Ratio	1.27	
Bank Required Ratio	1.25	
Difference	<u>0.02</u>	In Compliance

Rolling 12 Months:

Net Profit	3,617
Depr	1,704
Non-Cash	-
Int. Exp	547
Dividends	(2,992)
Non Fin	(1,050)
	<u>1,826</u>
C.P.	894
Int. Exp	547
	<u>1,441</u>

Borrowing Base (measured monthly)

Cash	9,887	
Marketable Securities	1,901	
A/R - In School	30,994	
Student N/R (Cap at \$5,000 of Enrolled N/R)	5,000	
Less: Deferred Revenue (Unearned Income)	(35,662)	
Add: Non-Refundable Portion of Deferred Revenue	3,780	8/31/2018
	15,900	
	x 75%	
	<u>11,925</u>	
Should be Enough to Cover Line Draws	-	In Compliance

90:10 Ratio (measured quarterly)

YTD Percentage Title IV	79.36%
YTD Percentage Non Title IV	20.64% In Compliance

Profitability of at least \$3,000,000 (measured quarterly/trailing 12 months)

Measured Quarterly and based on a trailing 12 months basis	<u>\$ 3,617</u>	In Compliance
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Dividends Not to Exceed 75% of Net Income (measured annually)

Net Income	\$ 3,617
Dividends - Trailing 12 months basis	2,992 (1)
	<u>82.72%</u>
	In Compliance
	(Measured at 12/31/18)

Capital Expenditures (measured annually)

Not to Exceed \$2.5 million	<u>\$ 1,050</u>	In Compliance
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Working Capital

Current assets	\$ 51,959
Current Liabilities	42,801
	<u>\$ 9,158</u>

Western Association of Schools & Colleges Requirements

WASC - Primary Reserve Ratio

Cash	\$ 9,887
Investments	1,901
Net Income	2,733
	<u>\$ 14,521</u>
Expenditures	65,322
	<u>22.23%</u>
	(>5.00%) In Compliance

WASC - Net Operating Ratio

Net Income	\$ 2,733
Net Operating Revenue	68,285
	<u>4.00%</u>
	(>4.00%) In Compliance