



# **BUDGET FORUM**

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## Your Input is Important

If you have (legal)suggestions for reductions of expenditures or generation of new revenues, please e-mail us at

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# SBCC Core Commitments

**In these challenging and uncertain economic times, our two most important efforts have been towards maintaining**

- 1) core instruction and programs that serve our students – *Our focus is the success of our students***
- 2) employment of regular employees: full-time faculty, regular classified staff and administrators/managers - *People are the college's most important resources. Our employees determine the quality of our programs and services, the overall climate of the college and its reputation***

# SBCC Core Commitments

**We have been successful in fulfilling these commitments!**

*Thank you ALL for your collaboration, engagement, hard work, dedication, and focus that have ensured our success!*

# Current College Fiscal Status in a Nutshell

- Due to proactive and sustained measures and fiscal management, we are in very good shape!
- We need to continue prudent fiscal management. There are very difficult times ahead from a fiscal perspective
- We are ending 2010-11 with strong reserves which will allow us to implement the upcoming additional budget cuts over a three-year period, in a phased approach
- The next three to five years will be very challenging but with the plan we developed and are proposing to the Board of Trustees, we will be able to continue to fulfill our two core commitments

# Have We Learned Anything in 2065 Years?

"The budget should be balanced, the Treasury should be refilled, public debt should be reduced, the arrogance of officialdom should be tempered and controlled, and the assistance to foreign lands should be curtailed lest we become bankrupt. People must again learn to work, instead of living on public assistance."

Marcus Tullius Cicero - 55 BC

**ASSUMPTIONS  
FOR  
TENTATIVE AND ADOPTED  
BUDGETS  
2010-11**

# GENERAL ASSUMPTIONS

- **January 8, 2010** Governor's budget proposal
- \$10.0 million in deferred payments will continue
- The college will not receive additional support from the state for categorical programs



# REVENUE ASSUMPTIONS

- Categorical funding was reduced – detailed in report
- Part-time faculty compensation was reduced by \$385,693 for 2009-10 and an additional cut of \$133,880 for 2010-11
- Reduction of \$275,000 for a **0.38% reduction in COLA**
- Enrollment fee does not change

# REVENUE ASSUMPTIONS

- There is no funded growth
- No deficit factor budgeted
- Out-of-state fees declined from \$190 to \$183/credit
- International fees declined from \$205 to \$203/credit
- Deferred payments have significantly reduced interest income
- Lottery revenue is assumed to remain flat

# EXPENSE ASSUMPTIONS

- Base salaries and wages are budgeted for the year at pay rates that were effective January 1, 2008 except for longevity, step and column increases
- Vacant positions filled
- Hourly expense will not change from the adopted budget for 2009-10 **ADOPTED** - \$208,000 for PSS, \$114,000 for readers and on-line instructional aids and \$126,000 for tutors (\$448,000 total)

# EXPENSE ASSUMPTIONS

- Credit reduction of 346 TLUs for fall 2010, 346 TLUs for spring 2011 and 154 TLUS for summer 2010 results in \$1,421,000 salary and benefits reduction – **ADOPTED added back \$639,000**
- Student health counselor (\$108,760), stipend for athletics (\$9,506), counseling (\$29,000), student services (\$53,500), CE (\$50,152), athletic officials (\$30,000), cosmetology (\$5,250), HR (\$5,000) and travel and conference (\$83,000) all increased the expenses in the adopted budget. Corrections to several departments resulted in a net increase of (\$20,370) in the adopted budget.
- CE expenditure reduction will occur, not in current version
- Unemployment Contribution Rate will increase effective 7-1-10 from 0.30% to 0.72% - approximately \$247,000 additional expenditure
- Health employer contributions, travel and organizational memberships will not change from 2009-10 **Actual expenditures will increase \$182,000 based on increase in allowance for all bargaining units.**

# EXPENSE ASSUMPTIONS

- Full-time faculty obligation will remain unchanged – **no change**
- Workers compensation insurance is projected to increase statewide
- Sabbaticals continue to be suspended - approximately \$303,461 - **no change**
- CalPERS employer contribution rate increased from 9.709% for 2009/10 to 10.2% for 2010-11 which will result in an additional cost of approximately \$106,380 - **no change**

# TRANSFER ASSUMPTIONS

- Additional general funding for categorical programs - \$825,173
- Transfer to the Children's Center Fund - \$323,258  
ADOPTED \$271,535
- Transfer to the Construction Fund - \$837,065  
INCREASED IN ADOPTED by \$2,090,000
- Transfer to the equipment fund - \$1.2 million  
INCREASED IN ADOPTED by \$3,700,000
- ADOPTED - Administrative portion of the State Financial Aid Media campaign was transferred into the General Fund \$161,864.

# FUND BALANCE

- State Mandated Operating Contingency = 5%
- The liability for banked TLU's is estimated and reserved for \$1,137,400 **ADOPTED \$1,188,630**
- Ending balances will be reduced approximately \$10.2 million due to the deferred state payments
  - **PROJECTION \$11,344,361, based on state allocations**

# 2010-11 BUDGET FOR CATEGORICAL PROGRAMS

- Overall allocation reduction from the state was 30% for 2009-10 (after ARRA) and 43% for 2010-11.
- The reduction in funding Categorical Programs after general fund contributions is 8% in 2010-11.



# Categorical Programs

	State Allocation	Carryover	ARRA	On-going GF	Additional GF	Total
DSPS 2009-10	749,497	104,946	80,635	283,303	22,109	1,240,490
DSPS 2010-11	637,425			283,303	219,810	1,140,538
<b>Difference</b>	<b>(112,072)</b>	<b>(104,946)</b>	<b>(80,635)</b>	<b>0</b>	<b>197,701</b>	<b>(99,952)</b>
EOPS 2009-10	777,179	57,159	81,283	255,102	192,649	1,363,372
EOPS 2010-11	771,000			255,713	223,828	1,250,541
<b>Difference</b>	<b>(6,179)</b>	<b>(57,159)</b>	<b>(81,283)</b>	<b>611</b>	<b>31,179</b>	<b>(112,831)</b>
C-Matric 2009-10	435,852	100,225	45,798	209,147	145,528	936,550
C-Matric 2010-11	434,152			209,147	218,541	861,840
<b>Difference</b>	<b>(1,700)</b>	<b>(100,225)</b>	<b>(45,798)</b>	<b>0</b>	<b>73,013</b>	<b>(74,710)</b>
NC-Matric 2009-10	421,313	0	43,967	47,854	119,857	632,991
NC-Matric 2010-11	419,713			0	162,994	582,707
<b>Difference</b>	<b>(1,600)</b>	<b>0</b>	<b>(43,967)</b>	<b>(47,854)</b>	<b>43,137</b>	<b>(50,284)</b>
Total 2009-10	2,383,841	262,330	251,683	795,406	480,143	4,173,403
Total 2010-11	2,262,290	0	0	748,163	825,173	3,835,626
<b>Difference</b>	<b>(121,551)</b>	<b>(262,330)</b>	<b>(251,683)</b>	<b>(47,243)</b>	<b>345,030</b>	<b>(337,777)</b>

GF=General Fund

ARRA=American Recovery and Reinvest Act (a.k.a, federal stimulus – one time funding)

**COMPARISON  
of  
PRELIMINARY PROJECTION 2010-11  
to  
AUDITED YEAR-END 2009-10**

# REVENUES

	<b>2009-10</b>	<b>2010-11</b>	
	<b>Audited</b>	<b>Projection</b>	<b>Increase</b>
	<b>Actual</b>	<b>4/15/2011</b>	<b>(Decrease)</b>
Federal	1,939	2,250	311
General Apportionment	73,978,704	74,845,102	866,398
Other State Revenue	2,949,275	2,700,263	(249,012)
Interest	309,787	195,000	(114,787)
International Student Fees	6,675,666	6,667,500	(8,166)
Non Resident Fees	3,341,925	3,174,100	(167,825)
Other	1,913,067	1,949,143	36,076
<b>Total Revenues</b>	<b>89,170,363</b>	<b>89,533,358</b>	<b>362,995</b>

- General Apportionment – Increase is primarily growth net of deficit factor
- Other State Revenue – Decrease is no block grant offset by the one-time state mandated expense reimbursement

# EXPENDITURES

	<b>2009-10</b>	<b>2010-11</b>	
	<b>Audited</b>	<b>Projection</b>	<b>Increase</b>
<b>EXPENDITURES</b>	<b>Actual</b>	<b>4/15/2011</b>	<b>(Decrease)</b>
Academic Salaries	40,734,834	39,812,730	(922,104)
Classified Salaries	18,633,176	18,820,084	186,908
Employee Benefits	13,305,467	13,425,872	120,405
Supplies & Materials	2,084,032	2,225,452	141,420
Other Operating Expenses	6,508,605	6,877,343	368,738
Capital Outlay	141,444	248,970	107,526
Other Outgo	203,380	86,521	(116,859)
<b>Total Expenditures</b>	<b>81,610,938</b>	<b>81,496,973</b>	<b>(113,965)</b>
<b>Net Revenues &amp; Op Exp</b>	<b>7,559,425</b>	<b>8,036,385</b>	<b>476,960</b>

- Academic Salaries – Credit TLUs were reduced; dean positions that became vacant were not filled
- Classified Salaries/Hourly Pay – increase in hourly support for the Partnership for Student Success, readers and online instructional aids
- Supplies & Materials and Other Operating Expenses – at actual expense + spending pattern from 2009-10 for April through June.

# TRANSFERS

	<b>2009-10</b>	<b>2010-11</b>	
	<b>Audited</b>	<b>Projection</b>	<b>Increase</b>
<b>TRANSFERS</b>	<b>Actual</b>	<b>4/15/2011</b>	<b>(Decrease)</b>
Intrafund In	49,275	161,864	112,589
Intrafund Out - Cat Backfill	(393,707)	(825,173)	(431,466)
Interfund In - Bookstore	250,000	0	(250,000)
Interfund In - Con (Aspect)	41,000	41,000	0
Interfund In - Equip		203,850	203,850
Interfund Out - Equipment		(4,900,000)	(4,900,000)
Interfund Out - Construction	(640,000)	(2,730,000)	(2,090,000)
Interfund Out - Constr Fund	(191,846)	(197,065)	(5,219)
Interfund Out - Children's Ce	(271,535)	(271,535)	0
	<b>(1,156,813)</b>	<b>(8,517,059)</b>	<b>(7,360,246)</b>

- Additional funding from general fund reserves for categorical reduces state cuts from 50% to 8%
- Transfers in for routine equipment – based on inventory developed and submitted by departments for supplies

# ENDING FUND BALANCE

	<b>2009-10</b>	<b>2010-11</b>	
	<b>Audited</b>	<b>Projection</b>	<b>Increase</b>
	<b>Actual</b>	<b>4/15/2011</b>	<b>(Decrease)</b>
Beginning Fund Balance	16,483,215	22,885,827	6,402,612
Net After Transfers	6,402,612	(480,674)	(6,883,286)
<b>Ending Fund Balance</b>	<b>22,885,827</b>	<b>22,405,153</b>	<b>(480,674)</b>

# GENERAL FUND BALANCE

	<b>2009-10</b>	<b>2010-11</b>	
	<b>Audited</b>	<b>Projection</b>	<b>Increase</b>
	<b>Actual</b>	<b>4/15/2011</b>	<b>(Decrease)</b>
Undesignated Fund Balance	7,359,697	5,392,362	(1,967,335)
Mandated Contingency (5%)	4,135,700	4,479,800	344,100
Designation for Banked TLU	1,188,630	1,188,630	0
Deferred Payments	10,201,800	11,344,361	1,142,561
<b>Ending Fund Balance</b>	<b>22,885,827</b>	<b>22,405,153</b>	<b>(480,674)</b>

- Solid ending general fund balances

# 2009-10 Program Review Resource Requests Funded for 2010-11

- Facilities resource requests \$240,000
- General equipment resource requests \$280,000
- Technology hardware resource requests \$225,000
- Technology software resource requests \$103,000
- **TOTAL \$848,000**
- In addition, budgeted for:
  - augmentation for annual routine equipment needs, based on information submitted by departments, formerly funded through Fund 41
  - replacement of non-routine equipment, based on inventory submitted by departments



**TENTATIVE BUDGET  
ASSUMPTIONS  
FOR  
2011-12**

# STATE BUDGET REVENUES

## 2011-12

The January budget plan pegs the two-year budget shortfall at:

- \$25.4 billion (\$8.2 billion 2010-11 and \$17.2 billion 2011-12).
- the shortfall could grow by another \$1.2 billion if a controversial sale of state-owned real estate is abandoned.

To address the shortfall, Governor Brown's budget proposes:

- \$24.5 billion in spending reductions
- \$1.9 billion in other solutions to close the gap
- and provide for a \$1 billion reserve.

**This would result in a \$899 million reduction in revenues for CCCs. This will be modified in the next few weeks (or months) as the budget is finalized. The impact for SBCC would be approximately \$10.5 million in net revenue reduction.**

# STATE BUDGET DEFERRALS

**An additional \$129 million inter-year funding deferral.**

**For SBCC, this increases the deferrals from \$11.3 million in 2010-11 to \$13 million in 2011-12.**

# 2011-12 TENTATIVE BUDGET REVENUE ASSUMPTIONS

1. Any reduction in unrestricted general fund revenues from 2011-12 will result in a “workload” reduction applied to state apportionment for the General Fund. Workload reduction means a reduction in the number of full-time equivalent students funded by the state.
2. Categorical funding was reduced by the state approximately 50% in 2010-11. The full impact to categoricals was reduced by offsetting the reduction in state funding from the General fund and this will continue at \$825,000.
3. Part-time faculty compensation was \$333,456 for 2010-11 and is projected to remain at the same level in 2011-12.
4. The enrollment fee is increasing from \$26 to \$36 per unit.
5. System-wide, growth is not budgeted.

# 2011-12 TENTATIVE BUDGET REVENUE ASSUMPTIONS

6. No deficit factor to cover a property tax revenue shortfall
7. Nonresident student enrollments from international and out-of-state students will be based on 2010-11 actual. The out-of-state tuition increase from \$183 to \$210/credit and international tuition increase from \$203 to \$210/credit is effective starting Fall 2011
8. Interest revenue is conservatively estimated based on declining interest rates and earning cash balances
9. Lottery revenue is assumed to remain flat
10. The State Physical Plant and Instructional Support Block Grant was eliminated in 2009-10 with the funding shifted to Career Technical Education

# 2011-12 TENTATIVE BUDGET EXPENSE ASSUMPTIONS

1. Base salaries and wages are budgeted for the year at pay rates that were effective January 1, 2008 except for longevity, step and column increases. The Tentative Budget assumes the following:
  - a) All open positions are assumed to be filled for 2011-12. It should not be assumed that each vacant position will be filled, but is evaluated at the time of requisition for replacement.
  - b) There is no reduction in credit course sections for Summer 2011 and Fall 2011.
  - c) The Spring 2012 semester is reduced 70 credit sections, which translates into a reduction in TLU allocation equivalent to \$357,000
  - d) There is no reduction in non-credit sections for Summer 2011 and Fall 2011 compared to Summer 2010 and Fall 2010, respectively.
  - e) The Winter 2012 and Spring 2012 non-credit terms are reduced 60 non-enhanced non-credit FTES, respectively. These sections are changed to community service, fee-based sections. Overall, in 2011-12, Continuing education will reduce its budget (instructional and operational) by \$150,000.
  - f) There is no adjustment for open positions caused by turnover or retirements that may occur during the budget year.
  - g) The compensation for the Associate Dean Vocational Ed and Dean Media are currently budgeted through the salary model. The salaries from these positions will be transferred permanently to the hourly budget for the Express to Success programs.

# 2011-12 TENTATIVE BUDGET EXPENSE ASSUMPTIONS

2. Benefits are budgeted at the maximum exposure and are not adjusted for open positions or positions vacated during the year. This has resulted in the actual expense coming in at less than the budget.
3. The State Unemployment Contribution Rate will increase effective July, 2011 from 0.72% to 1.61%. All salaries and wages (except students) are subject to unemployment contribution. The impact on the Unrestricted General Fund is **an increase of approximately \$545,241.**
4. Health employer contributions will increase from 2009-10 through collective bargaining. An agreement has been reached with the CSEA and a tentative agreement with the Instructors Association. It is assumed that all of the “me-too” agreements will be implemented. This will result in a **retroactive increase of \$182,000 for 2010-11.** The agreement has a cap of a not-to-exceed amount of approximately \$316,000 for 2011-12. The **cumulative increase for 2011-12 is \$498,000** and is ongoing. This increase will be represented in the 3000s benefits accounts.

# 2011-12 TENTATIVE BUDGET EXPENSE ASSUMPTIONS

5. Budget for hourly workers, students and overtime pay will be permanently reduced by \$500,000. This reduction will be proportional to each VP's area of responsibility.
  - a) President's office: \$10,492
  - b) Educational Programs: \$338,462
  - c) Business Services: \$64,495
  - d) Information Technology: \$6,744
  - e) Human Resources: \$1,602
  - f) Continuing Education: \$77,784
6. Organizational memberships will remain at the same level as in 2010-11.
7. Full-Time Faculty Obligation –**The College has committed to filling all vacant positions from retirement or resignation in 2010-11 for Fall 2011. Starting 2011-12, the workload reduction will result in a decline in the full-time faculty obligation for the college approximately 2 fewer full-time faculty positions are required for each 1% decline in funded CA credit resident FTES. As such, retirements or resignations of full-time faculty occurring in 2011-12 and beyond will be replaced only in very limited cases. A process for determining which positions will be replaced will be developed in consultation with the Academic Senate.**
8. The increase for fixed and mandated expenses is based on actual or trends. Fixed and mandated expenses consist of increases in maintenance agreements, utilities, postage, rent etc. The projected net increase is \$242,083.



# 2011-12 TENTATIVE BUDGET EXPENSE ASSUMPTIONS

9. Workers compensation insurance is projected to increase statewide. The projection is the current rate of 1.38% and it is increasing to 1.42% in 2011-12.
10. Sabbaticals are reinstated for 2011-12: 3 full-time sabbaticals at a cost of approximately \$153,000.
11. The CalPERS Board will be voting to increase the employer contribution rate from 10.7% for 2010-11 to 11.6% for 2011-12 which will result in an additional cost of approximately \$303,324 for SBCC in the Tentative Budget.

# 2011-12 TENTATIVE BUDGET EXPENSE ASSUMPTIONS

12. The unspent amounts in 2010-11 in “Supplies and Materials” (4000s accounts) or “Other Operating Expenses” (5000s accounts) were approximately \$600,000 and \$1,600,000 respectively. **We appreciate the cooperation from all faculty, staff and administrators in reducing expenditures for the last three years to help the overall budget of the college. In order to achieve the total \$2,000,000 budget reduction in 2011-12, the 4000s and 5000s budgets need to be reduced by \$1,053,000 as follows:**
- a) President’s office: \$66,752
  - b) Educational Programs: \$328,989
  - c) Business Services: \$379,231
  - d) Information Technology: \$154,833
  - e) Human Resources: \$13,032
  - f) Continuing Education: \$110,163

# 2011-12 TENTATIVE BUDGET TRANSFER ASSUMPTIONS

1. To offset the state cuts in categorical programs (EOPS, DSPS, matriculation) \$825,173 is transferred from the General fund in 2011-12.
2. Transfer to the Children's Center Fund is budgeted at \$285,413.
3. Transfer to the Construction Fund for ongoing campus maintenance of \$2.0 million.
4. Transfer to the Construction Fund for loan payments to the California Energy Commission for the photovoltaic system loan was \$197,065 for 2010-11 and will continue for the life of the loan.
5. Transfer to the Equipment Fund is \$1.5 million for the Tentative Budget for equipment replacement and \$155,000 for copier replacement.
6. The Administrative portion of the State Financial Aid Media campaign IS PROJECTED AT \$84,000.

# 2011-12 TENTATIVE BUDGET FUND BALANCE ASSUMPTIONS

1. State Mandated Operating Contingency = 5%.
2. Other Post Retirement Benefits – The District will be paying for early retiree medical insurance on a pay-as-you-go basis. The cost of medical insurance allowances for early retirees will be budgeted as an operating expense.
3. The liability for banked TLU's is estimated and reserved for \$1,137,400 in 2011-12.
4. Ending balances will be used to cover approximately \$11.34 million of deferred state payments that are in place for 2010-11. The amount of deferral is projected to be increased to approximately \$13.0 million in the 2011-12 fiscal year. This is not reflected in the ending balances due to the accrual method of accounting: but are shown for illustration purposes.

**COMPARISON  
of  
PRELIMINARY TENTATIVE BUDGET 2011-12  
to  
PRELIMINARY PROJECTION 2010-11**

# REVENUES

	2010-11 Projection as of 4-21-11	2011-12 Tentative Budget	Increase (Decrease)
REVENUES			
Federal	2,250	2,250	0
General Apportionment	74,845,102	68,628,315	(6,216,787)
Other State Revenue	2,700,263	2,407,355	(292,908)
Interest	195,000	195,000	0
International Student Fees	6,667,500	6,667,500	0
Non Resident Fees	3,174,100	3,174,100	0
Other	1,949,143	1,976,915	27,772
<b>Total Revenues</b>	<b>89,533,358</b>	<b>83,051,435</b>	<b>(6,481,923)</b>

(\$6,835,000) 2011/12 Workload reduction  
 \$ 618,213 Deficit factor will not reoccur

(\$6,216,787)

Other State Revenue – Mandate Reimbursement in 2010-11 will not reoccur in 2011-12

# EXPENDITURES

	2010-11	2011-12	
	Projection	Tentative	Increase
EXPENDITURES	as of 4-21-11	Budget	(Decrease)
Academic Salaries	39,812,730	40,962,426	1,149,696
Classified Salaries	18,820,084	19,561,015	740,930
Employee Benefits	13,425,872	15,712,352	2,286,480
Supplies & Materials	2,225,452	2,455,998	230,545
Other Operating Expenses	6,877,343	7,216,746	339,402
Capital Outlay	248,970	276,022	27,052
Other Outgo	86,521	16,385	(70,136)
<b>Total Expenditures</b>	<b>81,496,973</b>	<b>86,200,943</b>	<b>4,703,970</b>
<b>Net Revenues &amp; Operating Exp</b>	<b>8,036,385</b>	<b>(3,149,508)</b>	<b>(11,185,893)</b>

# TRANSFERS

	2010-11	2011-12	
	Projection	Tentative	Increase
	as of 4-21-11	Budget	(Decrease)
<b>TRANSFERS</b>			
Intrafund In - Fin Aid Media Campaign	161,864	84,000	(77,864)
Intrafund Out - Categorical Backfill	(825,173)	(825,173)	0
Interfund In - Bookstore	0	0	0
Interfund In - Construction (Aspect)	41,000	41,000	0
Interfund In - Equip	203,850		(203,850)
Interfund Out - Equipment Fund	(4,900,000)	(1,500,000)	3,400,000
Interfund Out - Equip copiers	0	(155,000)	(155,000)
Interfund Out - Construction Fund	(2,730,000)	(2,000,000)	730,000
Interfund Out - PV System Loan Pymt	(197,065)	(197,065)	0
Interfund Out - Children's Center	(271,535)	(285,413)	(13,878)
<b>TRANSFERS NET</b>	<b>(8,517,059)</b>	<b>(4,837,651)</b>	<b>3,679,408</b>



# UNRESTRICTED GENERAL FUND BALANCE

	2010-11 Projection as of 4-21-11	2011-12 Tentative Budget	Increase (Decrease)
Beginning Fund Balance	22,885,827	22,405,153	(480,674)
	(480,674)	(7,987,159)	(7,506,485)
<b>Ending Fund Balance</b>	<b>22,405,153</b>	<b>14,417,994</b>	<b>(7,987,159)</b>
Undesignated Fund Balance	5,443,626	(4,436,306)	(9,879,932)
Mandated Contingency (5%)	4,479,800	4,516,900	37,100
Designation for Banked TLUs	1,137,366	1,137,400	34
Deferred Payments	11,344,361	13,200,000	1,855,639
<b>Ending Fund Balance</b>	<b>22,405,153</b>	<b>14,417,994</b>	<b>(7,987,159)</b>
Ending Fund Balance - Accrual Basis	22,405,153	14,417,994	(7,987,159)
Deferred Payments	(11,344,361)	(13,200,000)	(1,855,639)
Ending Fund Balance - Cash Basis	11,060,792	1,217,994	(9,842,798)

**PROJECTIONS FOR 2012-13 AND  
2013-14 USING THE 2011-12  
TENTATIVE BUDGET**

# REVENUE ASSUMPTIONS

- No change in revenue for 2012-13 and 2013-14

# EXPENSE ASSUMPTIONS

- Salaries:
  - do not include an adjustment for longevity step and class
  - includes adjustments based on Scenario 5
- Benefits:
  - include 2% adjustment (based on total salaries) for PERS, STRS, Unemployment Insurance, etc.
  - Adjusts benefits based on salary decline above
- Supplies & Materials and Other Operating Expense:
  - Includes adjustments based on scenario 5

# HOURLY REDUCTION BY AREA

<b>SCENARIO 5</b>	<b>Reduction from 2010-11</b>	<b>Reduction from 2011-12</b>	<b>Reduction from 2012-13</b>
<b>President's Office</b>	\$10,942	\$2,188	\$2,188
<b>Educational Programs</b>	\$338,432	\$67,686	\$67,686
<b>Business Services</b>	\$64,495	\$12,899	\$12,899
<b>Information Technology</b>	\$6,744	\$1,349	\$1,349
<b>Human Resources</b>	\$1,602	\$320	\$320
<b>Continuing Education</b>	\$77,784	\$15,557	\$15,557
<b>Total</b>	<b>\$500,000</b>	<b>\$100,000</b>	<b>\$100,000</b>

# REDUCTION IN SUPPLIES & MATERIALS AND OTHER OPERATING EXPENSES

<b>SCENARIO 5</b>	<b>Reduction from 2010-11</b>	<b>Reduction from 2011-12</b>	<b>Reduction from 2012-13</b>
<b>President's Office</b>	\$66,752	\$37,909	\$70,175
<b>Educational Programs</b>	\$328,989	\$186,833	\$345,860
<b>Business Services</b>	\$379,231	\$215,366	\$398,679
<b>Information Technology</b>	\$154,833	\$87,930	\$162,773
<b>Human Resources</b>	\$13,032	\$7,401	\$13,700
<b>Continuing Education</b>	\$110,163	\$62,562	\$115,812
<b>Total</b>	<b>\$1,053,000</b>	<b>\$598,000</b>	<b>\$1,107,000</b>

Supplies & Materials – 24%

Other Operating Expenses – 76%

# REVENUES AND OPERATING EXPENSES

	<b>2011-12 Tentative Budget</b>	<b>2012-13 Tentative Projection</b>	<b>2013-14 Tentative Projection</b>
<b>Total Revenues</b>	<b>83,051,435</b>	<b>83,051,435</b>	<b>83,051,435</b>
Academic Salaries	40,962,426	39,660,426	38,067,426
Classified Salaries	19,561,015	19,461,015	19,361,015
Employee Benefits	15,712,352	16,740,624	17,700,582
Supplies & Materials	2,455,998	2,310,960	2,042,472
Other Operating Expenses	7,216,746	6,763,783	5,925,271
Capital Outlay	276,022	276,022	276,022
Other Outgo	16,385	16,385	16,385
<b>Total Expenditures</b>	<b>86,200,943</b>	<b>85,229,215</b>	<b>83,389,173</b>
<b>Net Revenues &amp; Operating Exp</b>	<b>(3,149,508)</b>	<b>(2,177,780)</b>	<b>(337,738)</b>

# TRANSFERS AND CONTRIBUTION TO ENDING BALANCES

	<b>2011-12 Tentative Budget</b>	<b>2012-13 Tentative Projection</b>	<b>2013-14 Tentative Projection</b>
Intrafund In	84,000	0	0
Categorical Backfill	(825,173)	(825,173)	(825,173)
Custodian (Aspect)	41,000	41,000	41,000
Equipment Fund	(1,500,000)	(1,500,000)	(1,500,000)
Equip copiers	(155,000)	(155,000)	(155,000)
Construction Fund	(2,000,000)	(2,000,000)	(2,000,000)
Constr Fund - Loan Pymt	(197,065)	(197,065)	(197,065)
Children's Center	(285,413)	(285,413)	(285,413)
<b>Net Transfers</b>	<b>(4,837,651)</b>	<b>(4,921,651)</b>	<b>(4,921,651)</b>
<b>Contribution After Net Transfers</b>	<b>(7,987,159)</b>	<b>(7,099,431)</b>	<b>(5,259,389)</b>



# FUND BALANCE

	2011-12 Tentative Budget	2012-13 Tentative Projection	2013-14 Tentative Projection
Beginning Fund Balance	22,405,153	14,417,994	7,318,563
Reduction to Fund Balance	(7,987,159)	(7,099,431)	(5,259,389)
<b>Ending Fund Balance - Accrual Basis</b>	<b>14,417,994</b>	<b>7,318,563</b>	<b>2,059,175</b>
State Revenue Deferral	(13,200,000)	(13,200,000)	(13,200,000)
<b>Ending Fund Balance - Cash Basis</b>	<b>1,217,994</b>	<b>(5,881,437)</b>	<b>(11,140,825)</b>
Undesignated Fund Balance	(4,436,306)	(11,487,137)	(16,654,525)
Mandated Contingency (5%)	4,516,900	4,468,300	4,376,300
Designation for Banked TLUs	1,137,400	1,137,400	1,137,400
Deferred Payments	13,200,000	13,200,000	13,200,000
<b>Ending Fund Balance</b>	<b>14,417,994</b>	<b>7,318,563</b>	<b>2,059,175</b>

# WHAT-IF THERE ARE FUNDS "FALLING" TO ENDING BALANCES

	<b>2011-12 Tentative Budget</b>	<b>2012-13 Tentative Projection</b>	<b>2013-14 Tentative Projection</b>
Ending Fund Balance - Accrual Basis	14,417,994	10,818,563	7,059,175
Falling Funds	3,500,000	1,500,000	-
<b>Revised Ending Fund Balance</b>	<b>17,917,994</b>	<b>12,318,563</b>	<b>7,059,175</b>
State Revenue Deferral	13,200,000	13,200,000	13,200,000
<b>Ending Fund Balance - Cash Basis</b>	<b>4,717,994</b>	<b>(881,437)</b>	<b>(6,140,825)</b>

**Questions?**