

**SANTA BARBARA COMMUNITY COLLEGE DISTRICT
2 Year Comparison
General Fund - Unrestricted**

	Prelim Actuals 2002-03 (Unaudited)	Based on Gov's May Revise Adopted Budget 2003-04	Increase (Decrease)	Based on Enacted Budget* Projection 2003-04	
REVENUES					
Federal	1,188	1,250	0	1,250	
State General Revenue				0	
Base	47,143,414	45,914,564	1,865,935	47,780,499	Impact of student fee increase unknown
Other State Revenue				0	As customary, growth revenue is not budgeted
Partnership for Excellence	3,271,695	1,865,922	932,961	2,798,883	No system-wide backfill should student fees or property tax fall short of budget target
Basic Skills Supplemental	557,338	0	431,000	431,000	Estimate of 02-03 Basic Skills rec'd in 03-04; as customary 03-04 Basic Skills revenue is not budgeted
Lottery	1,804,091	1,716,690	0	1,716,690	
Part-time Faculty Compensation	700,109	624,204	0	624,204	
Mandated Costs	0	0	0	0	
Other	15,466	15,856	0	15,856	
Other Local				0	
Interest	471,226	373,600	0	373,600	
International Student Fees	1,974,081	1,969,800	0	1,969,800	
Non Resident Fees	1,668,964	1,605,000	0	1,605,000	
Other	505,211	732,590	0	732,590	Full-Time Faculty Obligation: Add 6 temporary contract instructors, reduce adjuncts
Total Revenues	58,112,782	54,819,476	3,229,896	58,049,372	
EXPENDITURES					
Academic Salaries	28,106,527	27,821,389	162,900	27,984,289	
Classified and Other Nonacademic Salaries	13,808,299	14,671,969	0	14,671,969	
Employee Benefits	7,249,249	9,200,176	61,100	9,261,276	Includes \$1.6 million added for PERS, H&W allowance and W/C
Supplies & Materials	1,449,049	1,504,970	0	1,504,970	
Other Operating Expenses and Services	4,652,697	5,817,975	0	5,817,975	
Capital Outlay	143,686	140,214	0	140,214	
Other Outgo	160	500	0	500	
Proposed Budget Reductions				0	
Total Expenditures	55,409,667	59,157,193	224,000	59,381,193	100.00%
Excess of Revenues over (under) Expenditures	2,703,115	(4,337,717)	3,005,896	(1,331,821)	-2.24%
Other Financing Sources (Uses)					
Intrafund Transfers - In	19,744	25,000	0	25,000	
Intrafund Transfers - Out	(122,283)	(96,601)	0	(96,601)	
Interfund Transfers - In	341,050	1,545,284	0	1,545,284	Includes \$750,000 from So. Calif CCD JPA, \$682,284 from Equip Fund for OSS
Interfund Transfers - Out - EQUIPMENT FUND	(2,585,000)	0	0	0	
Interfund Transfers - Out - CONSTRUCTION FUND	(2,068,604)	0	0	0	
Interfund Transfers - Out - FOOD SERVICE	0	(200,000)	0	(200,000)	
Interfund Transfers - Out - CHILDREN'S CTR	(58,954)	(160,000)	0	(160,000)	
Interfund Transfers - Out - COSMETOLOGY	(65,200)	(65,200)	0	(65,200)	
Total Other Financing Sources (Uses)	(4,539,247)	1,048,483	0	1,048,483	
Excess of Revenues & Other Sources over (under) Expenditures & Other Uses	(1,836,132)	(3,289,234)	3,005,896	(283,338)	-0.48%
Beginning Fund Balance	10,439,386	8,178,972	424,282	8,603,254	
Ending Fund Balance	8,603,254	4,889,738	3,430,178	8,319,916	
Memo:					
Ending Fund Balance	8,603,254	4,889,738	3,430,178	8,319,916	
Less: Board Operating Contingency (5%)	(3,015,485)	(2,983,950)	(1,314)	(2,985,264)	
Less: Benefits Reserve	(600,000)	(300,000)		(300,000)	
Undesignated Fund Balance	4,987,769	1,605,788	3,428,864	5,034,652	

ONE-TIME BUDGET SAVINGS:		
Faculty Retiree Vacancy Savings	4.00 FTE	189,000
Other Vacancy Savings	5.43 FTE	227,500
Voluntary Leaves of Absence Savings		87,100
Funds Withdrawn from So. Calif. JPA		750,000
One-time costs for OSS implementation		(557,300)
Total		658,300

* SBCCD State Revenue allocations based on State Budget Workshop materials Sept. 2003

Santa Barbara Community College District
03/04 STATE BUDGET WORKSHOP
State General Revenue

Att. 1

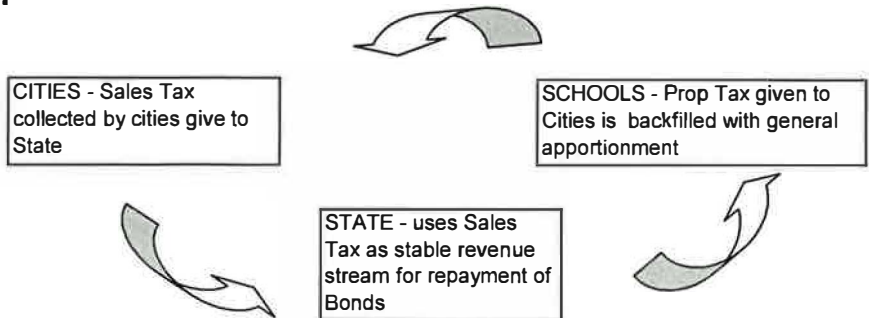
State Budget Allocations from CCCC		
Advance Apportionment		08/27/03
State Budget Workshop		09/03/03
P-1		Feb-2004
P-2		Jun-2004
Recalc - Simulated		Oct-2004
Recalc - Final		Feb-2005

STATE GENERAL REVENUE		
Jun-03 Adopted Budget-based on Gov's May Revise		45,914,600
Aug-03 Enacted Budget (estimate for SBCC)	<u>1,403,900</u>	
Sep-03 State Budget Workshop:		
Apportionment	555,500	
Concurrent Enrollment	<u>(93,500)</u>	
	<u>462,000</u>	
Increase		<u>1,865,900</u>
Total State General Revenue		<u><u>47,780,500</u></u>
Components of State General Revenue		
Property Tax		18,895,000
Enrollment Fees		3,317,900
Apportionment		25,567,600
Total		<u><u>47,780,500</u></u>

THREATS/CONCERNS

ITEM	Concern	Action
Property Tax Shortfall	Systemwide prop tax may not reach budgeted level	Monitor prop tax collections. CCCC will tally systemwide prop tax in November.
Property Tax Triple Flip	Legislation has not yet been enacted to backfill prop tax.	Monitor legislation. Be ready to advocate backfill if necessary
Enrollment Fees	Systemwide enrollment fee revenue may not reach budgeted level.	Monitor enrollment fee collections. CCCC will estimate in Sept.
Concurrent Enrollment	\$25 million reduction due to policy change. Reduction is based on MIS data and allocation method devised by CCCC.	Direct comments to CCCC. Monitor SB338; implement restrictions if enacted.

TRIPLE FLIP:



COLLEGE BUDGET SUMMARY AUGUST 2003

We did better than we might have, but we're not out of the woods.

The good news is that the state has a budget and this budget is more favorable to community colleges than the Governor's May Revise budget. Budget reductions system-wide are significant, but the May Revise was much worse. Important aspects of system-wide reductions are:

- The reduction for community colleges is comparable to UC, CSU and K-12.
- Colleges will receive no COLA.
- Property Tax - The budget assumes a moderate increase in local property taxes, 5.3%. However, the increase may be based on an inflated 2002-03 property tax assumption. There will be no backfill should property taxes collected fall short of the budget estimate.
- Student Fees - Student fees are set at \$18/unit, an increase of 64%.
- \$200 million deferral to July 2004 – This is largely an accounting shift and should not affect program operations.
- The State budget is significantly out of balance and fraught with uncertainty. The budget largely postpones difficult decisions until 2004.

Redistribution of System-wide Funds:

- Enrollment growth of 1.5% (about 17,000 FTES) or \$57.9 million (Taken from Partnership for Excellence and categoricals).
- Financial aid administration - \$38 million augmentation to the \$8 million program. \$3.8 million is set aside for a statewide media campaign, balance to colleges. (Taken from Partnership for Excellence and categoricals).

Reductions:

- Partnership for Excellence reduced by \$75 million or 25%.
- General apportionment reduced by \$25 million (approx. 6,500 FTES) on account of concurrent enrollment policy change.
- Part-time faculty compensation reduced by \$6.2 million.
- Instructional equipment/library materials reduced by \$37 million or 75%.
- Scheduled maintenance/special repairs reduced by \$37 million or 75%.
- We are also eligible to receive growth funding and basic skills. However, community colleges will get 2.6% less per FTES than last year.

We were wise to use the May Revise as a worst-case scenario in planning our own budget.

- The hit to our general apportionment funding was not as bad as expected, but actions have had a major impact on our budget. SBCC budget_impacts are:
 - **2002-03 Budget**
 - \$1.3 million reduction of expenses from 02-03 base level
 - **2003-04 Budget**
 - \$3.4 million reduction of expenses from 02-03 base level
 - PERS rate increase from 2.894% to 10.42% adding \$1 million in expense
 - H&W allowances for employees increased \$300,000 (10.5%)
 - Workers compensation insurance rate increased \$300,000 (30%)
 - General fund dollars directed to backfill categorical program reductions:
 - Instructional Equipment - \$98,518
 - Matriculation - \$116,400
 - Telecom & Technology - \$347,800
 - Computers in Our Future - \$50,000
- SBCC's budget includes NO cost-of-living adjustment (COLA).
- Budget planning for 2004-05 will be challenging; we will very likely have to make greater cuts.

While none of us liked having to make cuts, we handled the challenging process in a professional and positive manner.

- We avoided layoffs.
- We protected core categorical programs.
- We lobbied effectively, and our legislators and the Governor responded to our efforts.
- We worked through a very difficult process in a collaborative and cooperative way with open communication.

Student enrollment fees increased from \$11/unit to \$18/unit effective this fall.

- We do not know what the impact on enrollment will be.
- We are handling the difficult process of collecting the additional fees in an organized and flexible manner.

Financial Aid received additional funding in the state budget to help offset the impact of the student fee increase.

- Budget provides for a expansion of programs to ensure students are aware of financial aid and that they receive assistance in securing that aid. Each community college will receive funding to better inform students of additional financial aid opportunities and to assist in processing financial aid applications.
- We are strongly encouraging all students to look into their eligibility for a Board of Governors' Grant Waivers (BOGW) and to investigate our other financial assistance programs.

**SANTA BARBARA COMMUNITY COLLEGE DISTRICT
 2003-04 Budget Reductions
 CORE PROGRAMS**

	State Recalc 2001-02 Funding	State P-2 2002-03 Funding	Essential CORE Budget	Available Funding			(Surplus) Deficit	Backfill Need
				Funding 03/04	Carryover from 02/03	TOTAL		
STATE CATEGORICAL FUNDS								
044 CalWORKS	334,017	268,364	160,377	160,377	0	160,377	0	
064 DSPS	746,800	872,911	752,246	862,174	104,749	966,923	(214,677)	
078 EOPS	914,172	955,693	889,487	944,034	100,000	1,044,034	(154,547)	
020 Financial Aid Admin	64,988	74,772	74,348	77,842		77,842	(3,494)	
234 Instructional Equipment/library mat.	148,804	168,760	356,292	189,577	0	189,577	166,715	166,715
172 Matriculation-Credit	569,821	409,456	477,454	361,028	0	361,028	116,426	116,426
185 Matriculation-NonCredit	561,227	430,515	379,149	381,853	36,795	418,648	(39,499)	
244 Telecomm & Tech	301,937	178,040	475,000	127,161	0	127,161	347,839	347,839
Total	<u>3,641,766</u>	<u>3,358,511</u>	<u>3,564,353</u>	<u>3,104,046</u>	<u>241,544</u>	<u>3,345,590</u>	<u>218,763</u>	<u>630,980</u>
OTHER CATEGORICAL FUNDS								
053 Computers in Our Future (Cal Soap funding)	66,260	2,831	50,000	0	0	0	50,000	50,000
Total	<u>66,260</u>	<u>2,831</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
TOTAL	<u><u>3,708,026</u></u>	<u><u>3,361,342</u></u>	<u><u>3,614,353</u></u>	<u><u>3,104,046</u></u>	<u><u>241,544</u></u>	<u><u>3,345,590</u></u>	<u><u>268,763</u></u>	<u><u>680,980</u></u>

Att. 2

2003-2004 Proposed Funding of New Initiatives
(one-time only)

DTC Rankings					
RANK	Dept.	Amount	Requestor	Description	Justification
1	Educational Programs	Unknown	ITC Committee	Personal Computers for New Faculty	Faculty need personal computers to do their work
2	Math (1)	\$ 15,000.00	Elmore	28 station computer lab/classroom	Rec'd 15,000 from 02-03 budget. ICLC can handle expanded lab. Assessment server few problems.
3	ESL/FL (1)	\$ 13,500.00	Fede Peinado	Classroom presentation stations, 4 priority classrooms. There are six classrooms - 1 equipped as a smart	instructors want to incorporate internet and presentation applications to their instruction tools. Willing to have one presentation this coming year.
4	English	\$ 13,500.00	Owehand	Smart classroom IDC 223	Already have two
5	IRD	\$25,000.00	G. Johnson	Authentication Service: Feasibility Study and Prototype Development	Needed to authenticate access to SBCC services from the Internet and establish foundation for single sign-on.
6	Finance	\$ 13,500.00	P.Naylor	Bunker 226	Already exists, shared resource
7	Drafting/CAD	\$ 13,500.00	Laura Welby	Data projector, computer to run data projector, associated cables, installation, etc. for room OE16. Speak with Dave Kirchner at ext. 2568 on Fridays for specifics	Room OE16 is very long, and students in the back of the room cannot see writing projected from the regular overhead projector. Classroom is long and students in the back cannot see the projector.
8	Continuing Education - Wake Center	\$ 6,000.00	Peg McQuade	Mobile/Portable Smart Cart: CartPortable Hitachi or Mitsubishi LCD projector; Multisync: T 156 and 1 Laptop: Dell. Portable, transportable set with lightweight stand-cart.	For instructional use in smaller classrooms and remote facilities. Also provides mobile presentation platform for instructors in remote facilities to defray rental costs over time.
9	Continuing Education Wake Center	\$ 100.00	Kris Power	Epson perfection Scanner 1250	
HIGH	Sub-Total	\$ 100,100.00			
1	ESL/FL (2)	\$ 13,500.00	Fede Peinado	Classroom presentation stations, 4 priority classrooms. There are six classrooms - 1 equipped as a smart	instructors want to incorporate internet and presentation applications to their instruction tools.
2	Theater Arts	\$ 5,800.00	T. Garey	1 Computer midi-tower, 1 laptop, audio software, digital audio interface w/ adaptor card	To upgrade and integrate digital sound production and playback into production classroom program. A standard in the industry. In the process of replacing 25 year old audio systems.

2003-2004 Proposed Ranking of New Initiatives
(one-time only)

3	Continuing Education Schott	\$ 6,000.00	Kris Power	Mobile/Portable Smart Cart: CartPortable Hitachi or Mitsubishi LCD projector; Multisync:T 156 and 1 Laptop: Dell. Portable, transportable set with lightweight stand-cart.	For instructional use in sma ler classrooms and remote facilities. Also provides mobile presentation platform for instructors in remote facilities to defray rental costs over time.
4	ESL/FL (3)	\$ 13,500.00	Fede Peinado	Classroom presentation stations, 4 priority classrooms. There are six classrooms - 1 equipped as a smar:	instructors want to incorporate internet and presentation applications to their instruction tools.
5	ESL/FL (4)	\$ 13,500.00	Fede Peinado	Classroom presentation stations, 4 priority classrooms. There are six classrooms - 1 equipped as a smar: classroom.	instructors want to incorporate internet and presentation applications to their instruction tools.
Medium TOTAL		\$ 52,300.00			
Request in 2004-05					
1	IRD	\$50,000	Gail Johnson	Authentication Server/Services: Production Servers, Implementation, Training, and Documentation	Needed to authenticate access to SBCC services from the Internet and to set the foundation for single sign-on
High Total		\$50,000			