

Budget Assumptions

The Budgeting process began with individuals assessing their budget numbers for the preceding year, looking at departmental needs, and deciding on actual amounts required for the coming year. These figures were forwarded to the department/division/director. They reviewed the amounts and made changes if necessary. The budget amounts were reviewed by the respective deans and again adjustments were made. The figures were compiled into the budget worksheet in order to determine a total budget amount. At this point in the process this year the budget was \$1,000,000 in the red. The CFO and Associate Dean of Finance began checking and verifying the figures. Once this was done, the Deans were provided with the complete budget and asked to review and identify additional areas that could be reduced. It was then submitted to a meeting of the Administrative Council for final review.

Revenue:

The state will hold stop loss for appropriations at (\$539,134). Without the stop loss, our drop in state funding could be as much as (\$884,621).

Tuition and Fees are based on relatively flat enrollment (104,000 SCH).

Energy costs have been reduced by $\frac{1}{4}$ of the annual, guaranteed energy savings figure since the project will be on-line for the last quarter of the year only.

Tax rate remains the same, adjusted for current year collections.

The Technology Fee has been increased by \$1.50/SCH (\$156,000) to be earmarked for technology improvements.

Expenditures:

Budget assumes that the College will have to contribute to employee retirement (we estimate \$200,000).

Included are debt service payments on the Maintenance notes and a \$100,000 note to purchase new vehicles (car rental expense has been reduced by \$25,000).

A reduction in rent payments to the Foundation for the first year of the maintenance note payment by the amount of \$90,000.

The budget incorporates steps and increments and the equivalent of 1.2% for unclassified positions and extends salary schedules by another year.