

Monterey Peninsula College

Tentative Budget

Fiscal Year 2008-2009

June 24, 2008

Monterey Peninsula College
Tentative Budget
2008-2009 Fiscal Year

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Executive Summary

2008-2009 Tentative Budget

Introduction

The tentative budget is the District's spending plan from July 1 through September 15. On or before September 15, the Board is required to hold a public hearing and adopt a final budget for the fiscal year.

Following is a summary indicating the projected beginning balances (based on the current 2007-08 adjusted budgets), 2008-09 tentative budgets, and projected ending balances for all funds maintained by the District:

Funds	Beginning Fund Balances 7/1/2008	Budgets 2008-2009		Ending Fund Balance 6/30/2009
		Revenue	Expense	
General				
Unrestricted	\$4,079,114	\$40,806,074	\$40,777,272	\$4,107,916
Restricted	\$0	\$5,939,740	\$5,939,740	\$0
Special Revenue				
Child Development - Unrestricted	\$0	\$484,839	\$484,839	\$0
Child Development - Restricted	\$0	\$254,996	\$254,996	\$0
Student Center	\$32,967	\$271,200	\$228,664	\$75,503
Parking	\$120,414	\$385,000	\$384,488	\$120,926
Operating Funds Subtotal	\$4,232,495	\$48,141,849	\$48,069,999	\$4,304,345
Debt Service				
Student Center	\$443	\$20,325	\$20,325	\$443
Lease Payments	\$171,814	\$345,249	\$517,063	\$0
Capital Projects	\$626,885	\$1,949,205	\$2,172,815	\$403,275
Building	\$100,000,000	\$3,150,000	\$20,865,373	\$82,284,627
Self Insurance	\$6,460,883	\$6,555,923	\$6,555,923	\$6,460,883
Fiduciary				
Financial Aid	\$0	\$1,950,000	\$1,950,000	\$0
Associated Students	\$69,067	\$80,000	\$80,000	\$69,067
Scholarship and Loans	\$253,948	\$1,900,000	\$1,900,000	\$253,948
Trust Funds	\$162,143	\$500,000	\$500,000	\$162,143
Orr Scholarship	\$42,245	\$40,000	\$40,000	\$42,245
Total all Funds	<u>\$112,019,923</u>	<u>\$64,632,551</u>	<u>\$82,671,498</u>	<u>\$93,980,976</u>
Notes: Beginning Balances are estimates prior to 2007-2008 fiscal year end and audit. Ending Balances are calculated based on Beginning Balances and Budgets.				

Projections show positive beginning balances for all funds of the district, and revenues and expenses budgeted for the 2008-09 result in positive year end balances for all funds.

The major portion of the District's revenue is tied closely to the State of California's budget, which has not been finalized at the time of this writing. The updated estimate of the state's deficit has grown to \$17.2 billion and the Governor's primary solution to balance the state's budget is to borrow against the State Lottery. This will require voter approval in the November 2008 general election. The backup plan is for the Legislature to enact a standby one cent increase in the state sales tax should the Lottery proposal fail.

State revenues for the District's tentative budgets were based on the Governor's May Revise. The Governor's May Revision proposes better funding for education than was proposed in January but there are still problems associated with the May proposal, including funding for less than actual growth, no COLA, and categorical cuts. The Senate and Assembly versions of the state budget as currently proposed both allocate more funds for community colleges than the Governor's May Revise. Therefore, it is not probable that the final budget approved by the state would give the District less funding. In any case, the District's Final Budget will be adjusted to reflect the state's final approved budget.

The District's financial activities for day-today operating revenues and expenses are recorded in the General and Special Revenue Funds (aka Operating Funds).

General Fund

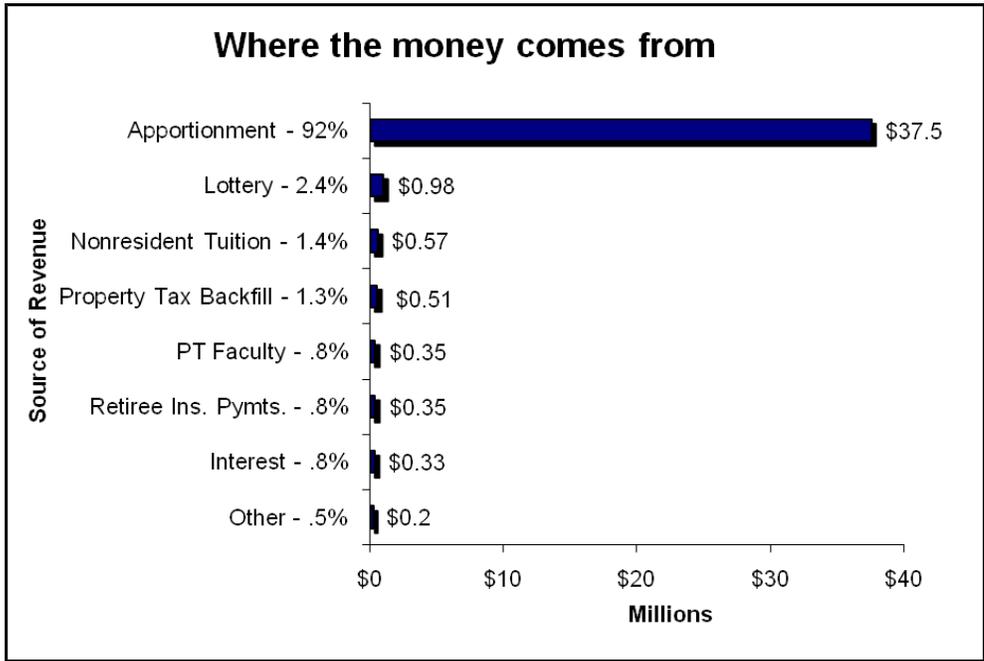
The General Fund includes the general operating budgets for the District. Some monies are restricted as to their use and the fund is therefore separated by unrestricted and restricted.

Unrestricted General Fund

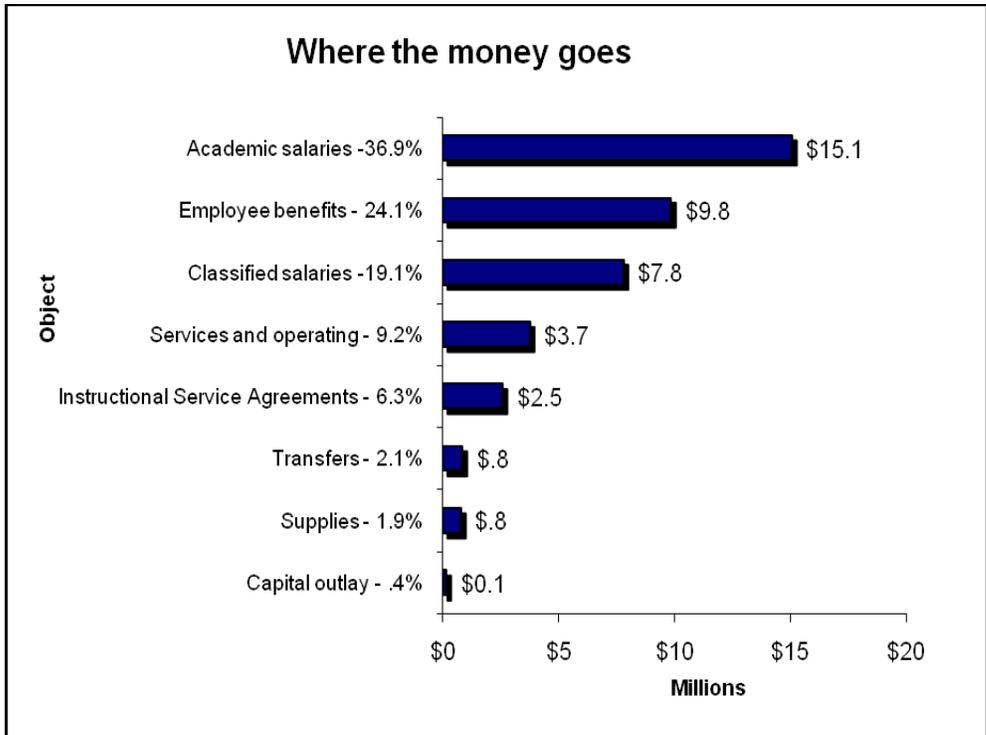
The District's primary financial activities for day-to-day operating revenues and expenses occur in the Unrestricted General Fund. Revenue is budgeted by the source of the funding and expenses are budgeted by their function. Amounts budgeted for revenue and expense in the Unrestricted General Fund show revenue to exceed expenses by \$28,802 and an ending balance of \$4,107,916, which maintains the Board's 10% target reserve.

Total revenues are projected to increase \$760,720 (1.9%) from the current 2007-08 Revised Budget. The primary increase in on-going funds from last year is from a \$623,848 increase in Apportionment (no property tax deficit). On-going revenue sources projected to decline next year include Lottery, Apprenticeship, non-resident enrollments, and Part Time Faculty Compensation funding. One-time funds totaling \$511,555 are budgeted for 2007-08 property tax backfill.

The five largest sources of revenue totaling 97.9% of the Unrestricted General Fund are dependent on enrollments referred to as full time equivalent students (FTES). Apportionment is the largest source of revenue and represents 92% of total unrestricted revenue. It is calculated by the State Chancellor's office based on in-state FTES of the District. Although the District is working to grow, this Tentative Budget uses the same in-state enrollments as the District projected for last year (as reported on the 2007-08 P2); therefore, no new apportionment funds are budgeted for growth. The District did report an increase in in-state enrollments last year and non-resident enrollments showed a small decline.



The largest portion of expenses is for people with salaries and corresponding fringe benefits for employees accounting for 80.14% of total expenses. Adding Instructional Service Agreements to employee expenses accounts for 85.9% of total expenses. The cost of employee benefits continues to be the second largest expense in the budget, currently representing 24.1% of total expenses.



Net costs for salaries, both academic and classified, are budgeted to increase 1.6% from the prior year. Total expenses are projected to increase \$843,943 (2.1%) from the current 2007-08

Revised Budget. The larger expense increases are to provide funding for three new academic positions (2 tenure track faculty and 1 instructional dean), and increases for Instructional Service Agreements for FIELD (Farm-workers Institute for Educational and Leadership Development) and South Bay Regional Public Safety Training Consortium. One-time funding used last year to cover increases for class schedule production and distribution is being funded as on-going expenses for 2008-09.

Labor contracts with the faculty and staff have been settled and increases for total compensation (salaries and benefits) are tied to increases in Apportionment revenue. Because no increases are included in this budget for apportionment COLA or growth, no increases for compensation have been budgeted. Should a COLA or growth be realized, corresponding increases in compensation would also be realized.

Based on the current state budget debates, it is hopeful that the final state budget will provide additional revenues to the District. Action Plans have been submitted and are being prioritized that will allocate potential excess revenues should they materialize. Any changes will be included in the District's Final Budget.

Restricted General Fund

Funds used for the operation and support of educational programs that are specifically restricted by law, regulation, donor, or other outside agency are recorded in the Restricted General Fund. The majority of these funds must be expended within the fiscal year or returned to the funding agency. Funds budgeted for these programs total just under \$5.9 million including:

Disabled Students Programs and Services (DSP&S)	\$1,268,161
Extended Opportunities Programs and Services (EOP&S)	\$975,065
Matriculation	\$528,683
Marine Advanced Technology Education (MATE)	\$388,214
Upward Bound	\$369,994
Math Science Upward Bound (MSUB)	\$358,043
Health Services	\$340,798
New Scholars	\$280,748
National Oceanic Partnership Program	\$226,641
Student Financial Aid Allowance (SFAA/BFAP)	\$178,872
Workability	\$177,052
CalWorks/TANF	\$162,803
Lottery	\$140,695
Federal Work Study	\$136,838
CARE	\$106,917

The state's May Revised budget proposes cuts of 10.9% to most state categorical programs and the budgets herein have been reduced accordingly (a total 12.6% reduction from the current 2007-08 Revised Budget). The Unrestricted General Fund support to this fund is \$472,272,

including \$338,071 for Supportive Services, \$78,006 for EOP&S, and \$56,195 for Health Services.

Special Revenue Fund:

Child Development Center (CDC), Student Center, and Parking are accounted for in the Special Revenue Fund. Revenues generated by these programs are intended to pay for the cost of services provided.

Some monies in CDC are restricted as to their use and the fund is therefore separated by unrestricted and restricted. In addition, one and one-quarter (1.25) CDC positions that were being charged to CalWorks in previous years have been disallowed and the expenses are being charged directly to CDC in 2008-09. The net result of this is an increase in funding from the Unrestricted General Fund of \$86,234 from 2007-08. The new-year will require a transfer of \$409,222 from the Unrestricted General Fund to balance CDC budgets, which represents 55% of their total budget, unrestricted and restricted.

For 2008-09, the Unrestricted General Fund will be paying for half of the Student Activity Coordinator in the Student Center Fund.

Revenues in the Parking Fund have been adjusted based on the current year actual revenues and expenses adjusted accordingly.

Debt Service

Long-term debt principal, interest, and related costs of the District are accounted for in the Debt Service Fund. There are two obligations accounted for in this fund: the annual long-term debt payment of \$20,775 for the Student Center and \$517,063 for the energy conservation projects (SunTrust lease). Student Use Fees in the Student Center operating accounts pays the Student Center obligation. Transfers from the Unrestricted General Fund of \$275,324, representing projected energy savings, and rebates from PG&E for the energy projects are budgeted to cover the required payments to SunTrust.

Capital Projects

Non-bond expenses for all major acquisition, construction and maintenance projects are accounted for in the Capital Projects Fund. State funded projects include the renovation of old library, and carry over state instructional equipment funds. Local projects include, IPP & FPP processing, technology refreshment, classroom furniture, donations for the Library & Technology Center and athletic facilities, and district expenses for Fort Ord including environmental insurance required by FORA.

Building

Expenses associated with the \$145 million Proposition 39 bond are accounted for in the Building Fund. At this time, the balance of all projects approved by the Board and planned to be completed in the 2008-09 fiscal year are included in this Tentative Budget. Adjustments will be made to the Final Budget pending actual 2007-08 year end expenses and potential bids awarded.

Self Insurance

Revenues and expenses used to account for the District's self-insured medical benefit plan and run out claims from workers compensation are accounted for in the Self Insurance Fund. The total fund balance is projected to be over \$6 million including \$2.25 million designated for GASB 45 liability. A total contribution of \$6,555,923 is budgeted as transfers from other funds. Considering the current fund balance, and prior year's experience, the rate used to determine the amount of funds to transfer to the Self Insurance Fund is being left basically the same as 2007-08, using a composite rate of \$1,213.83 per month per employee plus \$450.08 per month per employee for the retiree expenses. For MPC, GASB 45 standards will become effective in the 2008-9 fiscal year; therefore, all required accounting must be implemented by June 30, 2009. An updated actuarial study will be completed in January 2009 to provide up to date projections on liabilities.

Fiduciary Fund

The Fiduciary Fund is used to account for assets held by the District as trustee. These funds include Student Financial Aid, Associated Students, Scholarships and Loans, Trust Funds, and Orr Scholarship funds.

<i>Conclusion</i>

All funds are balanced and positive year-end balances (reserves) are projected. Adequate revenue continues to allow the District to maintain programs and services at current levels.

The Tentative Budgets in the operating funds of the District were constructed using the Governor's May Revised Budget for the state. Revenue projections in the Unrestricted General Fund provide a slight increase in total revenue from the prior year. Although no new funding for enrollment growth is being included, the District has implemented many measures to realize growth. Revenue projections in the Unrestricted General and Child Development funds have been reduced as projected by the current proposed state budget. Many assumptions regarding funding cannot be verified until the state budget is adopted; however, based on current discussions in the Legislature, projections used to develop the District's Tentative Budget are believed to be conservative.

Monterey Peninsula College

3-Year Comparison

	2005-2006	2006-2007	2007-2008		2008-2009	% > Budget 2007-08 to 2008-09
	<u>Actual</u>	<u>Actual</u>	<u>Act thru May</u>	<u>Revised Budget</u>	<u>Budget</u>	
Unrestricted General Fund:						
Income						
Federal	\$3,344	\$3,792	\$7,194	\$2,000	\$2,000	0.0%
State	\$20,425,149	\$24,846,720	\$15,837,006	\$24,382,178	\$22,750,519	-6.7%
Local	\$17,184,814	\$14,872,885	\$25,971,282	\$15,661,176	\$18,053,555	15.3%
Total Income	<u>\$37,613,307</u>	<u>\$39,723,397</u>	<u>\$41,815,482</u>	<u>\$40,045,354</u>	<u>\$40,806,074</u>	1.9%
Expense						
Academic Salaries	\$12,575,613	\$14,352,686	\$13,308,588	\$14,735,027	\$15,050,688	2.1%
Classified Salaries	\$6,939,472	\$7,256,309	\$6,917,229	\$7,824,970	\$7,789,339	-0.5%
Fringe Benefits	\$3,778,524	\$4,000,279	\$3,830,130	\$4,181,177	\$4,235,617	1.3%
Books and Supplies	\$792,399	\$612,821	\$668,593	\$720,425	\$785,490	9.0%
Operating	\$5,431,710	\$5,544,205	\$4,867,725	\$6,165,923	\$6,319,726	2.5%
Capital Outlay	\$359,657	\$344,779	\$163,801	\$180,353	\$149,575	-17.1%
Transfers	\$7,606,829	\$7,445,262	\$5,454,855	\$6,125,454	\$6,446,837	5.2%
Total Expenses	<u>\$37,484,205</u>	<u>\$39,556,341</u>	<u>\$35,210,921</u>	<u>\$39,933,329</u>	<u>\$40,777,272</u>	2.1%
Restricted General Fund:						
Income						
Federal	\$2,157,023	\$2,516,341	\$1,476,034	\$2,369,807	\$2,174,234	-8.3%
State	\$2,950,549	\$3,953,425	\$3,750,181	\$3,736,636	\$3,056,386	-18.2%
Local	\$901,603	\$755,665	\$466,230	\$687,020	\$709,118	3.2%
Total Income	<u>\$6,009,175</u>	<u>\$7,225,431</u>	<u>\$5,692,445</u>	<u>\$6,793,463</u>	<u>\$5,939,738</u>	-12.6%
Expense						
Academic Salaries	\$1,437,085	\$1,301,515	\$1,365,757	\$1,457,080	\$1,443,932	-0.9%
Classified Salaries	\$1,334,471	\$1,478,237	\$1,127,501	\$1,393,356	\$1,178,134	-15.4%
Fringe Benefits	\$454,473	\$462,176	\$412,800	\$497,718	\$450,819	-9.4%
Books and Supplies	\$364,410	\$647,130	\$169,041	\$287,267	\$191,900	-33.2%
Operating	\$1,046,210	\$1,440,259	\$1,182,198	\$1,501,239	\$1,280,978	-14.7%
Capital Outlay	\$254,510	\$687,621	\$223,311	\$591,459	\$202,827	-65.7%
Transfers	\$1,118,065	\$1,208,491	\$859,304	\$1,065,343	\$1,191,150	11.8%
Total Expenses	<u>\$6,009,223</u>	<u>\$7,225,430</u>	<u>\$5,339,912</u>	<u>\$6,793,462</u>	<u>\$5,939,740</u>	-12.6%
Unrestricted Child Development						
Income	\$386,537	\$375,952	\$385,885	\$417,005	\$484,839	16.3%
Expense	\$386,537	\$375,952	\$369,161	\$417,005	\$484,839	16.3%
Restricted Child Development						
Income	\$115,202	\$193,174	\$214,285	\$252,834	\$254,996	0.9%
Expense	\$115,202	\$193,174	\$221,710	\$252,834	\$254,996	0.9%
Student Center						
Income	\$293,552	\$279,374	\$263,617	\$271,200	\$271,200	0.0%
Expense	\$293,552	\$246,122	\$173,434	\$271,200	\$228,664	-15.7%
Student Revenue Bond						

Income	\$26	\$21,520	\$21,054	\$20,775	\$20,325	-2.2%
Expense	\$21,797	\$21,225	\$20,775	\$20,775	\$20,325	-2.2%
	2005-2006	2006-2007	2007-2008		2008-2009	% >
	<u>Actual</u>	<u>Actual</u>	<u>Act thru</u>	<u>Revised</u>	<u>Budget</u>	<u>Budget</u>
			<u>May*</u>	<u>Budget</u>		<u>to Final Budget</u>
Debt Service						
Income	\$2,498	\$140,123	\$271,025	\$280,000	\$345,249	23.3%
Expense	\$96,194	\$123	\$416,105	\$280,000	\$517,063	84.7%
Parking						
Income	\$301,286	\$543,659	\$334,747	\$397,000	\$385,000	-3.0%
Expense	\$301,286	\$641,455	\$273,404	\$340,942	\$384,488	12.8%
Capital Projects						
Income	\$1,731,635	\$5,064,644	\$150,928	\$4,109,015	\$1,949,205	-52.6%
Expense	\$1,122,010	\$5,416,096	\$1,007,406	\$4,670,481	\$2,172,815	-53.5%
Self Insurance						
Income	\$7,235,735	\$7,281,989	\$6,132,532	\$6,445,000	\$6,555,923	1.7%
Expense	\$6,123,904	\$5,495,612	\$4,154,746	\$6,445,000	\$6,555,923	1.7%
Financial Aid						
Income	\$1,676,509	\$1,782,602	\$1,914,989	\$1,700,000	\$1,950,000	14.7%
Expense	\$1,676,509	\$1,782,602	\$1,914,989	\$1,700,000	\$1,950,000	14.7%
Associated Students						
Income	\$85,520	\$86,728	\$83,396	\$80,000	\$80,000	0.0%
Expense	\$69,032	\$86,728	\$79,586	\$80,000	\$80,000	0.0%
Scholarship and Loans						
Income	\$944,188	\$1,401,661	\$1,905,281	\$1,300,000	\$1,900,000	46.2%
Expense	\$940,825	\$1,374,398	\$1,745,919	\$1,300,000	\$1,900,000	46.2%
Trust Funds						
Income	\$486,168	\$325,382	\$721,187	\$400,000	\$500,000	25.0%
Expense	\$415,167	\$492,107	\$402,048	\$400,000	\$500,000	25.0%
Orr Scholarship						
Income	\$62,685	\$38,879	\$35,479	\$40,000	\$40,000	0.0%
Expense	\$42,516	\$98,037	\$23,799	\$40,000	\$40,000	0.0%
Building Fund						
Income	\$5,769,193	\$1,441,914	\$106,094,353	\$35,800,000	\$3,150,000	-91.2%
Expense	\$7,641,016	\$20,713,266	\$17,607,195	\$20,648,503	\$20,865,373	1.1%

Unrestricted General Fund Highlights

2008-2009 Tentative Budget

Revenues:

Total Unrestricted General Fund income budgeted for 2008-09 is \$40,806,074, \$28,802 more than projected expenses. The District's budget has been calculated using estimates based on the Governor's May Revise. The May Revise basically provides a roll-over budget for the Unrestricted General Fund, providing no cost of livings allowance (COLA), a cut to PT faculty compensation, and a small increase for growth. Total income includes one-time revenue of \$511,555.

- **Apportionment** - The largest source of unrestricted revenue, \$37,518,108 (92%) is received through the California Community College System and is based on actual enrollments of the College. These funds are referred to as apportionment and are received from student registration fees, local property taxes, and the state. Apportionment is calculated based on full time equivalent students (FTES): \$4,564.83 per credit FTES and \$2,744.96 per noncredit FTES. FTES as reported at P2 for 2007-08 (6013 credit and 2357 noncredit) has been used in the calculation for this Tentative Budget. In addition, there is a base allocation of \$3,321,545 for a single campus district and \$276,795 for a satellite campus.

Additional funding may be available through growth and/or restoration funding from the state.

- The Governor's proposed budget includes 1.67% for community college growth funding. The Chancellor's Office calculates growth rate caps for each community college with growth being paid up to the funds available from the state.
- Going into 2007-08, MPC had \$1,927,465 available for restoration (\$410,186 from 2004-05 and \$1,517,279 from 2005-06). Using the simulated P2, the district showed restoration of \$834,640 so, the total available restoration going into 2008-9 would be \$1,092,825 (\$410,186 + \$1,517,279 - \$834,640). This would all be 2005-06 restoration money so, the district will need to earn it back in 2008-09 or lose it.

Although many efforts are being made to grow, no income for growth and/or restoration has been included in this budget.

- **Property Tax Shortfall Reimbursement** – Included in the Governor's proposed budget is funding to reimburse colleges in 2008-09 for at least a portion of the 2007-08 property tax shortfall. Current projections would provide reimbursement of 82% of the simulated P2 shortfall, calculated to be \$511,555 (.82 x \$623,848) for MPC. This is a one-time revenue source.
- **Part-Time Faculty Compensation** – The District has budgeted a 10.9% (\$43,112) cut as proposed in the May Revise. Income of \$352,411 is included in

the Tentative Budget.

- **Lottery** – Funds received from the Lottery Commission are based on prior years FTES, including non-resident. Assuming the total FTES as reported at P2, 8527 and School Services projection of \$115 per FTES results in a total of \$980,605, \$56,395 less than the 2007-08 Final Budget. In addition, Lottery revenue in the Restricted General Fund is budgeted at \$16.50 per FTES for a total of \$140,695, less than the 2007-08 Final Budget. The Unrestricted General Fund will pay for the instructional supplies that were otherwise paid for with these Lottery funds.
- **Apprenticeship** – Funds are received from the state based on actual apprenticeship hours and total funds available. A maximum of \$4.86 per hour could be funded. The California Department of Parks and Recreation is the supplier of students for apprenticeship and, because of state cuts to their budgets, has informed the college they will not be utilizing this program in the new-year. Therefore, no hours would be claimed and no projected revenues are included in the Tentative Budget, a loss of \$115,000 from 2007-08 Final Budget.
- **Nonresident Fees** – Non-resident enrollments continue to decline with P2 for 2007-08 reporting 157 FTES, down from 166 in 2006-07. Using 157 FTES and considering the nonresident fee increase to \$173, non-resident fees of \$565,000 are budgeted, a reduction of \$10,000 from 2007-08.
- **Interest** – Interest income is budgeted at \$330,000, the same as the Final 2007-08 Budget.

Expenses:

Total Unrestricted General Fund Expenses are budgeted at \$40,777,272. Projections are included for all known obligations including negotiated employee contracts. Total expenses include one-time expenses totaling \$131,205 (\$51,205 for Fort Ord environmental insurance and \$80,000 for temporary rental of Monterey College of Law facilities).

- **Salaries** - Increases for required step and column movement, and longevity have been budgeted, where appropriate.

Budgets for new and/or expanded positions include: 2 new tenure track faculty (Math Learning Center. Director and PE Instructor/Coach), Dean of Instruction/Economic Development and Off Campus Programs, Student Activities Coordinator (50% - transfer from Student Center Fund), and increase Astronomy Tech from 25 to 40 hours.

Salaries for adjuncts are budgeted at \$4,186,038, basically the same as last year.

- **Fringe Benefits** - Net benefits are projected to increase by \$222,297 (2.3%). This year's budget includes an increase of .122% in the Public Employees retirement contribution (PERS), an increase of .25% for state unemployment insurance (SUI), and an increase in dental of 6%, resulting in a total increase of \$82,928. Three new positions have been added with fixed cost benefits of \$21,346 each. In addition, roll-up costs associated with salary increases for required step and column movement, and longevity have been budgeted.
- **Books and Supplies** – At \$785,490, this budget category is \$55,082 more than last year, primarily the result of the projected loss of \$44,305 in Lottery funding. Actual expenses for books and supplies in the unrestricted and restricted general funds are basically the same as last year.
- **Services and Operating:**
 1. **Utilities** – Total utility expenses are budgeted at \$ 961,676 (\$1,033,075 for all funds of the District). Electricity is budgeted at \$525,000, natural gas at \$210,000, water at \$124,667, waste disposal at \$30,000, sewage at \$37,100 and telephone at \$106,308.

(A transfer to the Debt Services Fund of \$275,324 is also budgeted to make lease payments for the energy conservation projects completed by Siemens.)
 2. **Risk Management (insurance)** - The District is in a pool with other community colleges and is self insured for property and liability coverage. Property and liability is budgeted at \$258,150 plus \$30,000 for deductibles. (Student accident insurance is budgeted in the Restricted General Fund at \$105,031).
 3. **Instructional Service Agreements** – Instruction contract budgets have been increased \$964,138 (to \$2,573,330) to support the addition of contracts with FIELD and South Bay Regional Public Safety Training.
 4. **Travel** – This budget category has increased \$54,056 to \$227,468 to cover the additional expenses for the new soccer program, travel to and from the Ed Center, and general increased expenses for fuel.
 5. **Legal Expenses**- This category remains the same as last year with a budget of \$80,000.
 6. **Building Maintenance** – Minor capital improvements remains the same as last year with a budget of \$73,285. At this time, no amounts are budgeted for State Scheduled Maintenance expenditures, income, or required district matching funds.

7. **Contingencies** – Total general contingencies remain basically the same as last year, \$77,860: \$50,000 for unanticipated institutional expenditures (utilities, postage, telephone, etc.), \$10,940 for the Superintendent, \$6,520 total for VPs, \$2,200 total for deans, and \$8,200 for athletics.

- **Capital Outlay** – Total for books and equipment of \$149,575 is basically the same as last year.
- **Transfers** - Transfers to other funds are budgeted at \$6,421,837, an increase of \$321,383 from last year. The following are transfers to other funds:

Self Insurance Fund	\$5,603,090
Child Development Fund	409,222
Debt Service (energy conservation)	275,324
Health Services	56,195
EOP&S	78,006
Financial Aid	25,000

Transfers for DSP&S, EOP&S, and Financial Aid (SEOG) are mandatory. For DSP&S, expenses for DSP&S instructors totaling \$338,071 are being recorded in the Unrestricted General Fund.

A \$50,000 transfer in from the Capital Outlay Fund is budgeted (1-time money from 2007-08) and is earmarked for sabbatical replacements.

Fund Balance: – An ending Unrestricted General Fund balance of \$4,107,916 is projected which is just slightly over the board required contingency reserve of 10% of expenditures.