

**BOARD REPORT NO. 11-6-108B**

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: James Keller, Executive Vice Chancellor, 358-6790

**ADOPTION OF THE 2011-12 TENTATIVE BUDGET**

In accordance with State law, the Tentative Budget must be adopted by the Board of Trustees on or before July 1, 2011. The budget will be revised during the summer to reflect needed changes resulting from passage of the State Budget and from 2010-11 year-end close activities. The Tentative Budget also will be revised to reflect other revisions that occur up to the time that the Final Budget is presented to the Board of Trustees for approval on September 28, 2011.

The Tentative Budget is derived from revenue projections based upon the latest information available from the State Chancellor's Office and estimates for local revenue. Expenditure projections are based upon data currently available relating to District obligations, set-asides, and site allocations. The Tentative Budget is a compilation of information presented to the Board subsequent to adoption of the 2011-12 Budget and Planning Calendar on January 26, 2011.

**RECOMMENDATION**

To meet the California Code of Regulations, Section §58305 requirements for Tentative Budget approval, to proceed with the orderly closing of the 2010-11 accounting records, and to begin 2011-12 disbursements in July 2011, it is recommended that the Board of Trustees adopt the following Tentative Budget:

General Fund, Unrestricted	\$ 121,582,294
General Fund, Restricted	20,515,767
Self-Insurance Fund	10,570,300
Debt Service Fund	47,913,228
Capital Projects Fund	140,634,747
Bookstore Fund	14,846,656
Cafeteria Fund	650,903
San Mateo Athletic Club/Aquatic Center (SMAC)	2,026,357
Child Development Fund	1,351,802
San Mateo Parcel Tax (Measure G)	7,350,000
Trust Funds (Financial Aid)	16,480,430
Reserve Fund for Post-Retirement Benefits	<u>28,017,098</u>

**TOTAL – ALL FUNDS** **\$ 411,939,582**

THE TENTATIVE BUDGET REPORT provides a summary of 2011-12 State and District budget planning information. It focuses primarily on the Unrestricted General Fund; however, preliminary information is also included about other District funds shown in detail on Exhibits B through L.

### **Budget Planning**

The District has been proactive in facing the budget crisis. With active participation and guidance from the District Committee on Budget and Finance membership, the SMCCCD budget was developed assuming a 14% cut over two years—10% in 2011-12 and an additional 4% in 2012-13. It also assumes use of reserves that delays severe cuts well into the future.

Despite efforts by Governor Brown and legislators to cut spending combined with the recent estimate of increased revenues from the Department of Finance for the current and upcoming fiscal year, California's structural deficit remains unresolved.

After the release of the May Revise, uncertainty looms. We are still in a "wait and see" mode. The debate over taxes and spending between the Republicans and Democrats persists. Legislative hearings began shortly after the release of the May Revise, and Chancellor Galatolo will continue to update the college community regarding the budget situation and its impact to our District over the summer months. Even though budget issues persist at the State legislature, the District has proposed a Tentative Budget based on the Governor's proposal and legislative results to date.

For the first time, under Proposition 25 which was approved by voters in November 2010, legislators will not be paid if they miss the June 15 budget deadline. As has been typical of the legislature, marathon sessions produced a State Budget crafted at the eleventh hour to meet the constitutional deadline. The plan was drawn up and approved by the Democrats with no Republican support. It contains familiar solutions of one-time revenues, borrowing, fund shifts and other gimmicks. Whether the Governor will sign it remains to be seen.

Based on State budget news over the next several weeks, we can expect the SMCCCD final budget to contain adjustments from those noted at the time the Tentative Budget was prepared.

Included in this report is a four page self-assessment checklist of the District's fiscal condition to address concerns by the college community. Pursuant to Education Code Section §84040, the Board of Governors adopted criteria and standards for the periodic assessment of California community college districts. In accordance with this requirement, the Chancellor's Office established standards for sound fiscal management and a process to monitor and evaluate the financial health of California's community college districts.

### ***MAY REVISION***

The May Revision was released by Governor Brown on May 16, 2011. The Governor acknowledged \$6.6 billion in anticipated revenue but mainly focused on the existing "wall of debt," stating that the amount does not come close to covering the gap. He reiterated his position for tax extensions that were approved in 2009-10—sales taxes (1%), the vehicle license fee (1.15%), and state income taxes (¼ %). Many observers speculate that the required two thirds majority to pass the tax extensions may require the Governor to compromise on pension reform and some form of spending cap.

In March 2011, Governor Brown signed a budget package that addressed \$11.2 billion of the estimated \$26.6 billion deficit. For community colleges, that package included \$400 million base reduction in apportionment funding (7% decline), increased student fees from \$26 to \$36 per credit unit (38%) and

increase in deferrals of \$129 million. Since then, other legislative actions and events have reduced the shortfall to approximately \$10.8 billion.

State Vice Chancellor for Fiscal Policy Dan Troy provided following budget summary:

- -26.6 Billion gap identified in January
- +14 Billion in cuts and other solutions approved in March
- -\$0.6 Billion in erosions of March package (due to implementation delays)
- -\$1.0 Billion due to Proposition 10 litigation
- +\$6.6 Billion in GF revenues identified in May Revision
- -\$2 Billion in new costs
- -\$1.2 Billion for a budget reserve
- = \$10.8 Billion

The community college budget remains relatively unchanged from the initial January proposal. The May Revise reduces the community college intra-year deferrals by \$350 million from \$961 million to \$611 million. The 4.9% workload reduction identified in the original proposal remains the same.

While it is reassuring that the May Revise did not propose further cuts to community colleges, the Governor is relying on the tax extensions to pass in order to close the \$10.8 billion funding gap. According to School Services of California, *if the tax extensions pass, Proposition 98 funding is \$52.4 billion; if they fail the Proposition 98 funding drops to \$50.8 billion, a reduction of \$1.6 billion for K-14.* There have been no concrete plans announced should the tax extensions fail although Governor Brown acknowledges a \$5 billion reduction to education in an “all-cuts” budget. This amount equates to eliminating 52,000 courses for community colleges and an additional \$500 million cut to UC’s and CSU’s.

The Legislative Analyst’s Office (LAO) agreed with the Governor’s revenue estimates for the current 2010-11 and 2011-12 budget years. It reports that the partial elimination of deferrals will curtail districts from borrowing to meet financial obligations. Although it agrees that tax extensions would assist in balancing the budget, it recommends that it is preferable to hold elections at the end of the fiscal year to allow for schools, counties and State agencies to have stability and predictability in funding levels.

School Services of California provided a summary of the latest actions by the Senate and Assembly:

*Without the extension of the temporary taxes sought by the Governor, AB 98 relies on a long list of cuts, one-time revenues, special fund borrowing, accounting shifts, and other gimmicks to replace the \$9.6 billion in revenues that the Governor sought in his May Revision. The major elements of AB 98 and its various Budget Trailer Bills to follow include:*

- *Reinstatement of \$2.85 billion in K-14 apportionment deferrals*
- *Increased tax and fee revenues of \$1.6 billion from a 0.25% increase in the local sales tax, a \$12 increase in the vehicle registration fee, imposition of the sales and use tax on certain Internet sales, and imposition of fire protection fees for rural residents*
- *Additional cuts of \$150 million each to the University of California (UC) and the California State University systems, plus a \$540 million delay in payments to the UC*
- *A cut of \$150 million to the court system and \$500 million to local law enforcement*
- *An assumption of \$700 million in federal funds to offset state expenditures in the Medi-Cal program*
- *An assumption of \$1.2 billion from the sale of state properties*

- *An assumption of \$800 million in higher General Fund revenues (on June 14, 2011, the State Controller reported that May 2011 collections were \$409 million above forecast)*
- *A \$1 billion shift of Proposition 10 special funds to the General Fund*

*While the AB 98 spending plan looks similar to recent Budgets that fell out of balance within months of enactment, there were hints that this may not be the final act. The Governor has 12 days to sign or veto the Budget Bill, but during this time, negotiations could continue. It is possible that a deal may ultimately be struck with four Republicans on a spending cap, pension reform, and regulatory changes.*

Recently, the Community College League of California (CCLC) released a glimpse on projections of the budget impact to community colleges under different scenarios: <http://www.ccleague.net/district-budget-impact/>

Scenario A assumes that tax extensions pass and Proposition 98 is not suspended while Scenario B assumes an all-cuts budget including a suspension of Proposition 98.

### **Budget Simulation: San Mateo County CCD**

#### **Underlying Assumptions**

The reduction simulations assume a dollar reduction in each of credit, noncredit and career development and college preparation (CDCP) FTES in a proportional manner across the district's offerings. Because noncredit and CDCP are funded at a lower rate, the percentage of FTES reduced is greater. Similar to 2009-10, each district would likely be able to decide the exact blend of its reductions. Headcount is simply a multiplier of 2.1 of the district's lost FTES, based on statewide ratios from 2009-10.

2011-12 Base revenue (before reductions)	\$108,416,160
Share of state apportionment (excluding ELPT)	1.91%
Number and percent credit FTES	21,498 (99.47%)
Number and percent noncredit FTES	116 (0.53%)
Number and percent CDCP FTES	0 (0.00%)
Headcount enrollment breakdown (2009-10):	

- Canada: 11,566 (24.3%)
- San Mateo: 18,566 (39.1%)
- Skyline: 17,377 (36.6%)

Notes: ELPT = excess local property tax districts

	<b>Scenario A</b>	<b>Scenario B</b>
Net apportionment cut	\$-6,055,000 5.6%	\$-9,899,000 9.1%
Workload reduction percent:	-6.15%	-10.05%
Lost FTES	-1,329	-2,172
Lost headcount:	-2,791	-4,562

### Detailed Scenarios

#### **Scenario A: Governor's May Revise Assumptions -- Tax Extensions and no Prop. 98 Suspension**

**\$315 million net reduction to apportionment**

*(\$290m net budget cut + \$25m fee shortfall )*

Apportionment reduction:	\$-6,055,000 5.6%
Lost FTES/Workload reduction:	-1,329
Lost headcount (est.):	-2,791
Lost headcount students by college:	
<ul style="list-style-type: none"> <li>• Cañada: 680 students</li> <li>• San Mateo: 1,091 students</li> <li>• Skyline: 1,021 students</li> </ul>	
Course sections reduced:	-443
Course "slots" reduced:	-13,292

#### **Scenario B: All-cuts budget, including a suspension of Proposition 98.**

**\$515 million net reduction to apportionment**

*(\$490m net budget cut + \$25m fee shortfall )*

Apportionment reduction:	\$-9,899,000 9.1%
Lost FTES/Workload reduction:	-2,172
Lost headcount (est.):	-4,562
Estimated lost headcount students by college:	
<ul style="list-style-type: none"> <li>• Cañada: 1,110 students</li> <li>• San Mateo: 1,783 students</li> <li>• Skyline: 1,668 students</li> </ul>	
Course sections reduced:	-724
Course "slots" reduced:	-21,722

### **Enrollment**

Community colleges across the State continue to accommodate and serve students despite limited resources. Many college districts have reported enrollment levels that exceed their State funding. For the spring semester alone, a total of 28,200 students were served at all three of our Colleges.

A decline in enrollment is expected due to the increase in student fees from \$26 to \$36 per unit (over 38% increase) effective Fall 2011. Without tax extensions, the enrollment fee has the possibility of increasing to as much as \$46 per unit as early as the spring semester.

The District's strategy is to shift 500 FTES from Summer 2011 to 2010-11 to capture budget stability funding and to maximize 2010-11 FTES. This also gives the District a higher base from which to cut.

Our three Colleges have managed their resources well. Many students have been turned away due to sections that have filled to capacity but reductions in course offerings resulting from budget cuts have already driven down enrollment.

### **Measure G**

The San Mateo County community passed the parcel tax (Measure G) at a critical time. This temporary funding source over four years will allow the District to continue educational programs, restore and retain classes that would have otherwise been completely cut because of the severe budget situation. The Colleges have re-hired part time faculty and continued support services to students that include counseling, tutoring and library services.

After the passage of Measure G in late Summer 2010, the Colleges quickly convened committees to plan usage of the parcel tax that focused on instruction affecting the ability of students to succeed and complete programs. As stated in the ballot measure, the District is committed to preserving classes in reading, writing and math as well as offering job training classes for careers in nursing, health care, science, green technology, police and fire technology programs.

The District is extremely fortunate to have this funding source in order to continue its mission of serving the educational needs of students in our community. The parcel tax has allowed for stability and maintenance of high demand courses and programs. At the end of the 2010-11 academic year, more than 2,600 degrees and certificates were awarded at our three Colleges combined.

The Board of Trustees approved the Colleges' spending plan at its December 2010 meeting. As approval occurred at the end of the fall semester, the bulk of expenses were incurred in the spring. At this writing, CSM will have \$350,000, while both Cañada College and Skyline College will each have approximately \$500,000 left over to spend in the coming fiscal year. These funds will help mitigate cuts in future years.

For 2011-12, the Colleges have been allocated the same amounts as approved by the Board in December for 2010-11:

Cañada College	\$1,914,605
College of San Mateo	\$1,860,000
Skyline College	\$2,072,611

### **2011-12 Revenue Projection**

The revenue estimates are based upon the Governor's budget proposal and will be revised after enactment of a final State budget. The funding mechanism of SB361 is fairly clear and the State has provided a worksheet for estimating district apportionment. The District subsequently prepared an estimate of its base revenue taking into consideration a set of factors that includes enrollment and projected property tax

assessed valuation. The District's total revenue projection is \$108,458,234 which is \$3,782,229 less than last fiscal year.

For 2011-12, the assumptions include:

1. SB 361 funding continues as proposed at the State budget workshops.
2. 2011-12 FTES based on 2010-11 first principal apportionment (P1).
3. 2011-12 Non-resident FTES changes at the same rate as average of the last 3 years.
4. Zero State revenue COLA.
5. Workload reduction.
6. Deficit factor on State revenue projected.
7. 1.8% inflation on certain expenses.
8. Utilities and benefits are based on best estimates from Facilities and HR.
9. No increase for Full Time faculty outside of what Colleges fund from their site allocations.
10. Fixed costs are based on best guesses for now.
11. State revenue COLA minus 1% for salary compensation settlement.
12. Student fee increase from \$26 to \$36 per unit.

Revenue estimates are based on the assumptions listed above and expenditures include costs to continue ongoing operations. The following tables summarize projected revenues and expenditures. In addition to annual inflationary cost increases, costs include those associated with providing health and medical benefits to active and retired employees, increases in insurance premiums, technology upgrades and maintenance and utilities.

<b>Revenue</b>	<b>2010-11 Final Budget</b>	<b>2011-12 Tentative</b>	<b>\$ Change</b>
Base Revenue	\$102,602,469	\$108,484,927	\$5,882,458
Growth/Restoration	2,120,617	(7,468,171)	(9,588,788)
Lottery	2,400,000	2,400,000	0
State PT Faculty Parity	385,618	385,618	0
P/T Faculty Office Hours/Med.	243,118	243,118	0
Apprenticeship	99,800	52,353	(47,447)
Non-Resident Tuition	1,668,341	1,719,889	51,548
Interest	1,000,000	1,000,000	0
Miscellaneous	1,720,500	1,640,500	(80,000)
<b>Total</b>	<b>\$112,240,463</b>	<b>\$108,458,234</b>	<b>\$(3,782,229)</b>

<b>Expenditures</b>	<b>2010-11 Final Budget</b>	<b>2011-12 Tentative</b>	<b>\$ Change</b>
Site Allocations with Benefits	\$86,765,115	\$90,922,719	\$4,157,604
Other Employee Benefits	3,665,354	2,239,165	(1,426,189)
Retiree Benefits	7,402,500	7,704,474	301,974
Formula Adjustments	877,161	877,161	0
Apprenticeship	99,800	52,353	(47,447)
Miscellaneous	1,118,000	1,118,000	0
Utilities	5,070,145	5,161,408	91,263
Salary Commitments	3,174,396	4,067,455	893,059
Managed Hiring	1,358,000	1,093,500	(264,500)
Insurance	1,079,000	1,098,422	19,422
Consultant/Legal/Election	200,000	403,600	203,600

<b>Expenditures</b>	<b>2010-11 Final Budget</b>	<b>2011-12 Tentative</b>	<b>\$ Change</b>
Staff Development	384,292	387,780	3,288
Software/Hardware/Telephone	1,046,702	1,141,333	94,631
<b>Total</b>	<b>\$112,240,465</b>	<b>\$116,267,369</b>	<b>\$4,026,905</b>

For the Tentative Budget, the estimated expenditures exceed projected revenues by \$7,809,135. In anticipation of budget shortfalls, the Colleges and District Office have diligently saved throughout the fiscal year to bolster their ending balances. These ending balances will help cover and assist in the projected deficit. The Tentative Budget will be revised to include any changes resulting from the final State budget and the 2010-11 fiscal year-end numbers.

### **2011-12 Estimated Beginning Balance**

The beginning balance is estimated at \$12,835,891 and includes reserves of 5% according to Board policy. Details of the Unrestricted General Fund are detailed in Exhibit A. The remaining balance originates from specific projects and activities of the 2010-11 year and will be carried over into the new fiscal year and committed to these purposes. The current estimate is subject to change when final amounts become available following year-end close of the District's financial records.

### **2010-11 Ending Balance Estimates**

The sites are relying on the balances to partially cover deficits in 2011-12. The savings will be used to mitigate the impact of reductions as a temporary solution as the sites begin to seek permanent solutions and develop plans to address future reductions to the general fund beginning 2012-13.

The projections of 2010-11 ending balances submitted by the Budget Offices at each site are as follows:

Cañada College	\$873,212
College of San Mateo	\$1,643,102
Skyline College	\$1,584,773
District Office	\$412,142
Facilities	\$460,324

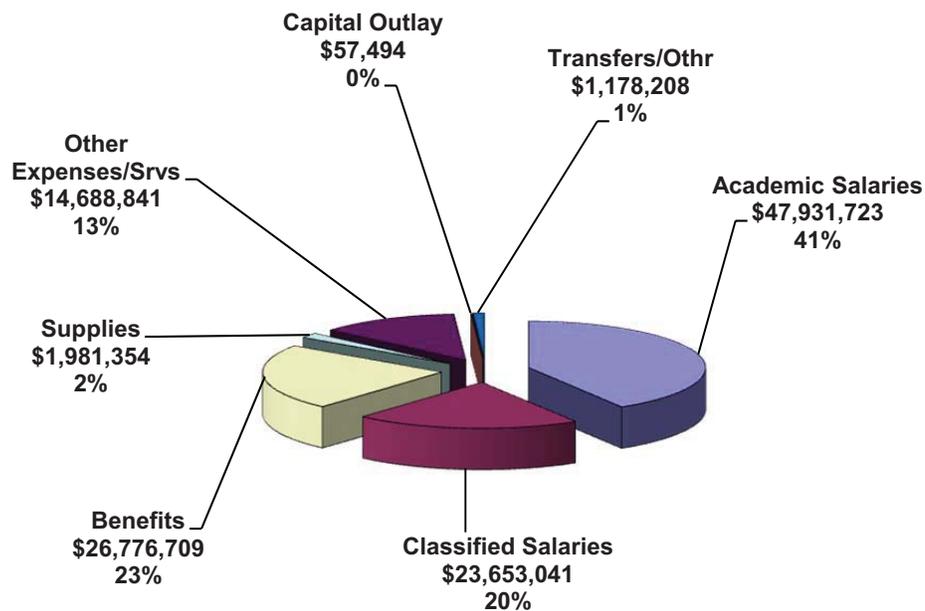
### **2011-12 Site Allocations**

The site allocations for the Tentative Budget have been adjusted for step, column, and longevity increases according to the resource allocation model. Beginning fiscal year 2010-11, benefits were distributed and managed at each of the sites. Employee benefits had historically been budgeted separately in Central Services. The allocations will be adjusted for the adopted budget as necessary.

<b><u>Site</u></b>	<b><u>Allocation without benefits</u></b>	<b><u>Benefits</u></b>	<b><u>Allocation total with benefits</u></b>
Cañada College	\$12,701,828	\$3,224,850	\$15,926,678
College of San Mateo	23,343,417	5,451,438	28,794,855
Skyline College	21,726,290	4,879,273	26,605,563
District Office	7,867,867	2,459,924	10,327,791
Facilities	7,314,467	1,953,365	9,267,832

The major functional uses of the unrestricted general fund budget are illustrated below by major account category.

Account Category	2010-11 Final Budget	2011-12 Tentative	\$ Change
Certificated Salaries	\$47,120,062	\$47,931,723	\$811,661
Classified Salaries	22,872,275	23,653,041	780,766
Employee Benefits	27,155,555	26,776,709	(378,846)
Supplies/Materials	3,305,612	1,981,354	(1,324,258)
Operating Expenses	15,183,592	14,688,841	(494,751)
Capital Outlay	58,074	57,494	(580)
Transfers/Other	1,219,396	1,178,208	(41,188)
<b>Total</b>	<b>*\$116,914,566</b>	<b>*\$116,267,370</b>	<b>\$(647,196)</b>



\*Does not include beginning balance/carryover

# California Community Colleges

## Sound Fiscal Management

### Self-Assessment Checklist

#### 1. Deficit Spending - Is this area acceptable? **Yes / No**

- Is the district spending within their revenue budget in the current year?
  - For 2010/11, the District's expenses will be within the current year revenues. The 2011/12 Tentative Budget has a deficit budget, using reserves that are above the 5% level.
- Has the district controlled deficit spending over multiple years?
  - Yes, the District's unrestricted GF Net Change in Fund Balance for 2006/07 was \$691,947, for 2007/08 was (\$259,096), for 2008/09 was \$4,217,848 and for 2009/10 was \$1,447,475. The unrestricted GF Net Change in Fund Balance for 2010/11 is projected to be positive and the total significantly above the 5% level.
- Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?
  - Yes, by fund balance, revenue increases (growth) and expenditure reductions.
- Are district revenue estimates based upon past history?
  - District revenue estimates are based upon a combination of past history, the various funding formulas and current projections as well as a conservative estimate of state deficits.
- Does the district automatically build in growth revenue estimates?
  - When there is growth funded in the state budget, the District's growth revenue estimates are based on the colleges' FTES growth estimates within the funded cap. The colleges must budget sufficient teaching funds to generate that growth.

#### 2. Fund Balance – Is this area acceptable? **Yes / No**

- Is the district's fund balance stable or consistently increasing?
  - The District's fund balance is fairly stable, increasing over the last 3 years to partially account for increases in spending and a conservative approach to budgeting revenue. The fund balances were \$10,312,555 in 2007/08, \$14,530,400 in 2008/09 and \$15,977,878 in 2009/10.
- Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?
  - The fund balance is increasing primarily due to expenditure reductions.

#### 3. Enrollment - Is this area acceptable? **Yes / No**

- Has the district's enrollment been increasing or stable for multiple years?
  - Yes. The District's enrollment had increased every year since 2005/06, but in 2009/10, due to state workload reductions, the District was over the funded enrollment cap, so enrollment has been reduced in 2010/11 and will reduce again in 2011/12.
- Are the district's enrollment projections updated at least semiannually?
  - The District's enrollment projections are updated at P-1 and P-2.
- Are staffing adjustments consistent with the enrollment trends?
  - The colleges adjust their adjunct faculty budgets to match their enrollment projections.
- Does the district analyze enrollment and full time equivalent students (FTES) data?
  - Yes. The CBO works with the VPIs to review the enrollment estimates and compare the trends to historical data.
- Does the district track historical data to establish future trends between P-1 and annual for projection purposes?
  - Yes. The historical data includes P-1, P-2 and P-Annual and includes a review of the estimates after P-A.
- Has the district avoided stabilization funding?
  - Yes. The District has been growing since 2005/06.

**4. Unrestricted General Fund Balance – Is this area acceptable? Yes / No**

- Is the district's unrestricted general fund balance consistently maintained at or above the recommended minimum prudent level (5% of the total unrestricted general fund expenditures)?
  - The District's unrestricted GF balance has consistently been 9%- 14% for the last several years, however, the District's policy is to budget for a 5% reserve.
- Is the district's unrestricted fund balance maintained throughout the year?
  - Mostly, although we do not do mid-year accruals of revenue and some sources of revenue lag, such as lottery. If the accruals were done, the balance would be fairly consistent.

**5. Cash Flow Borrowing - Is this area acceptable? Yes / No**

- Can the district manage its cash flow without interfund borrowing?
  - Yes, although the state deferrals of payments to the District necessitate a large TRANS and some interfund borrowing has been necessary.
- Is the district repaying TRANS and/or borrowed funds within the required statutory period?
  - Yes.

**6. Bargaining Agreements - Is this area acceptable? Yes / No**

- Has the district settled bargaining agreements within new revenue sources during the past three years?
  - The District has concluded negotiations with CSEA for a new three year agreement effective July 1, 2011. No economic improvements were negotiated and reopens on economic matters will occur in 2012 and 2013. Negotiations are ongoing with AFT and AFSCME and it is the District's position, given the fiscal State crisis and the reduced funding for community colleges, that no economic improvements will be negotiated. It is the District's preference to reach agreements that mirror the CSEA settlement.
- Did the district conduct a pre-settlement analysis identifying an ongoing revenue source to support the agreement?
  - The analyses have been ongoing.
- Did the district correctly identify the related costs?
  - Yes, increases in statutory as well as health and welfare benefits are included in the total cost when any analysis is done
- Did the district address budget reductions necessary to sustain the total compensation increase?
  - Budget reductions have not been necessary in the past and are not be necessary for these settlements.

**7. Unrestricted General Fund Staffing - Is this area acceptable? Yes / No**

- Is the district ensuring it is not using one-time funds to pay for permanent staff or other ongoing expenses?
  - Permanent staff are controlled through position control and are budgeted out of each entity's site allocation, which is derived in the budgeting process from ongoing revenues.
- Is the percentage of district general fund budget allocated to salaries and benefits at or less than the statewide average (i.e. the statewide average for 2003-04 is 85%)?
  - In 2007/08 the District was at 83%, in 2008/09 the District was at 86% and in 2009/10 the District was at 85%.

**8. Internal Controls - Is this area acceptable? Yes / No**

- Does the district have adequate internal controls to insure the integrity of the general ledger?
  - Yes. The District has had no audit findings for internal controls.
- Does the district have adequate internal controls to safeguard the district's assets?
  - Yes. The District has had no audit findings for internal controls.

**9. Management Information Systems - Is this area acceptable? Yes / No**

- Is the district data accurate and timely?
  - Banner is real time and information is updated automatically in a variety of instances.
- Are the county and state reports filed in a timely manner?
  - All reports are filed on time.
- Are key fiscal reports readily available and understandable?
  - Banner reports are readily available and managers are trained in Banner.

**10. Position Control – Is this area acceptable? Yes / No**

- Is position control integrated with payroll?
  - Position control was integrated with payroll when Banner payroll was implemented in January, 2007.
- Does the district control unauthorized hiring?
  - With the implementation of Banner payroll, all positions are approved in advance and no person can receive a paycheck without having their paperwork entered into Banner by HR staff and being assigned to an approved position.
- Does the district have controls over part-time academic staff hiring?
  - Part-time academic staff hiring is done by the Instruction Offices and reviewed by Human Resources.

**11. Budget Monitoring - Is this area acceptable? Yes / No**

- Is there sufficient consideration to the budget, related to long-term bargaining agreements?
  - All District proposals are costed out for at least 3 years prior to finalizing the proposals.
- Are budget revisions completed in a timely manner?
  - Budget revisions are taken to the Board twice a year.
- Does the district openly discuss the impact of budget revisions at the board level?
  - The Board has to approve the revisions. Any use of contingency funds must be approved by a 2/3 majority of the Board.
- Are budget revisions made or confirmed by the board in a timely manner after the collective bargaining agreements are ratified?
  - Since the District has a history of multi-year agreements, the budget has not had to be revised, but can be planned in advance.
- Has the district's long-term debt decreased from the prior fiscal year?
  - Yes. The District has issued all of its General Obligation Bonds approved by the voters and is starting to repay them.
- Has the district identified the repayment sources for the long-term debt?
  - General obligation bonds are paid through property taxes.
- Does the district compile annualized revenue and expenditure projections throughout the year?
  - The District Committee on Budget and Finance reviews revenue projections for the current and future years.

**12. Retiree Health Benefits - Is this area acceptable? Yes / No**

- Has the district completed an actuarial calculation to determine the unfunded liability?
  - The District completed an actuarial study in April 2011.
- Does the district have a plan for addressing the retiree benefits liabilities?
  - The District is on a pay as you go plan for current retirees, but had also been setting aside \$1.5M annually and reached a peak of over \$33M set aside. The District established an OPEB trust and is in the process of funding the District's long term liabilities for post-employment health benefits. The District has established a self-assessment for future OPEB benefits in line with the actuarial study. In addition, the District capped lifetime benefits in the 1990's.

**13. Leadership/Stability - Is this area acceptable? Yes / No**

- Has the district experienced recent turnover in its management team (including the Chief Executive Officer, Chief Business Officer and Board of Trustees)?
  - The District recently hired a president for Skyline College and will be hiring a new president for Cañada College next year. Both of these positions were vacated due to retirements. There has been no turnover in the Board, CEO, or CBO.

**14. District Liability – Is this area acceptable? Yes / No**

- Has the district performed the proper legal analysis regarding potential lawsuits that may require the district to maintain increased reserve levels?
  - Yes, this is done as part of the year-end close every year.
- Has the district set up contingent liabilities for anticipated settlements, legal fees, etc?
  - None are currently needed.

**15. Reporting** – Is this area acceptable? **Yes / No**

- Has the district filed the annual audit report with the System Office on a timely basis?
  - The audit was filed in December 2010 for 2009/10. The current contract with the auditors specifies that the audit must be complete and filed by December 31.
- Has the district taken appropriate actions to address material findings cited in their annual audit report?
  - There have been no material findings. The District has addressed the state compliance findings.
- Has the district met the requirements of the 50 percent law?
  - Yes.
- Have the Quarterly Financial Status Reports (CCFS-311Q), Annual Financial and Budget Reports (CCFS-311), and Apportionment Attendance Reports (CCFS-320) been submitted to the System Office on or before the stated deadlines?
  - Yes, all have been timely.

San Mateo County Community College District

Exhibit A-1

**2011-12 TENTATIVE BUDGET - UNRESTRICTED GENERAL FUND  
NET BEGINNING BALANCE (PRIOR YEAR CARRYOVER)**

	<b>Final Budget 2009-10</b>	<b>Tentative Budget 2010-11</b>	<b>Final Budget 2010-11</b>	<b>Tentative Budget 2011-12</b>
<b>ESTIMATED NET BEGINNING BALANCE</b>				
Carryover Balances - Committed but unexpended				
Professional Development	\$178,499	\$200,000	\$258,318	\$220,000
Program Improvement	43,536	65,000	37,107	75,000
Staff Development	36,431	40,000	95,226	50,000
Duplicating Equipment Upgrade	13,753	9,500	9,544	11,000
CSM Science Sales	5,607	5,200	7,756	6,400
SFSU Nursing Program	160,911	166,000	182,818	226,000
College Events Funds	84,017	0	110,418	0
Emergency Preparedness	210,116	176,000	288,654	250,000
Fleet Program	15,420	7,400	22,304	7,000
Equipment Surplus	34,423	43,000	35,765	35,000
Satellite Dish Contracts	448,463	610,000	446,597	580,000
Apprenticeship Programs	15,385	0	3,005	0
President's Innovation Fund	19,840	40,000	64,128	46,800
Contingency Increment	0	-523,574	0	59,960
Other Carryover	1,200,434	1,881,983	2,062,901	481,810
Subtotal	\$2,466,835	\$2,720,509	\$3,624,541	\$2,048,970
Savings for Rebudgeting				
College of San Mateo	1,823,485	2,001,695	1,989,235	1,643,102
Cañada College	510,680	717,280	1,012,079	873,212
Skyline College	1,126,861	1,273,273	1,562,010	1,584,773
Chanc. Office/Facilities	1,471,254	2,600,000	1,602,407	872,466
Subtotal	\$4,932,280	\$6,592,248	\$6,165,731	\$4,973,553
<b>ESTIMATED COMMITMENTS/SAVINGS TO REBUDGET</b>				
Reserve for Contingency	\$6,064,016	\$5,540,442	\$6,101,537	\$5,813,368
Revolving Fund, and General Reserve	0	0	0	0
Subtotal	\$6,064,016	\$5,540,442	\$6,101,537	\$5,813,368
Unrestricted Balance	1,067,272	0	86,069	0
<b>TOTAL ESTIMATED NET BEGINNING BALANCE</b>	<b>\$14,530,403</b>	<b>\$14,853,199</b>	<b>\$15,977,878</b>	<b>\$12,835,891</b>

**INCOME ASSUMPTIONS**

<b>ESTIMATED CURRENT INCOME</b>				
General Revenue and Fees	105,755,349	101,607,674	102,602,469	108,484,927
Restoration/Growth	-3,705,995	0	2,120,617	-7,468,171
Lottery	2,399,161	2,400,000	2,400,000	2,400,000
State Part-Time Faculty Support	257,547	628,736	628,736	628,736
Apprenticeship Programs	221,148	99,800	99,800	52,353
Non-Resident Tuition	1,551,466	1,656,441	1,688,341	1,719,889
Interest Income	1,000,000	1,000,000	1,000,000	1,000,000
Miscellaneous Income	995,500	1,720,500	1,720,500	1,640,500
<b>TOTAL ESTIMATED CURRENT INCOME</b>	<b>108,474,177</b>	<b>109,113,151</b>	<b>112,260,464</b>	<b>108,458,234</b>
<b>TOTAL INCOME + NET BEGINNING BALANCE</b>	<b>\$123,004,580</b>	<b>\$123,966,350</b>	<b>\$128,238,342</b>	<b>\$121,294,125</b>
<b>(Unrestricted General Fund)</b>				

San Mateo County Community College District

Exhibit A-2

**2011-12 TENTATIVE BUDGET - UNRESTRICTED GENERAL FUND  
ESTIMATED EXPENDITURES**

	<b>Final Budget 2009-10</b>	<b>Tentative Budget 2010-11</b>	<b>Final Budget 2010-11</b>	<b>Tentative Budget 2011-12</b>
<b>EXPENDITURE PLAN</b>				
<b>ESTIMATED 2009-10 CARRYOVER</b>				
<b>COMMITMENTS</b> (From Previous Page)	\$2,466,835	\$2,720,509	\$3,624,541	\$2,048,970
Contingency Increment (Included below)	0	523,574	0	(59,960)
<b>ESTIMATED SAVINGS FOR</b>				
<b>REBUDGETING</b> (From Previous Page)	4,932,280	6,592,248	6,165,731	4,973,553
<b>COMMITMENTS AND REBUDGETED SAVINGS</b>	<b>\$7,399,115</b>	<b>\$9,836,331</b>	<b>\$9,790,272</b>	<b>\$6,962,563</b>
<b>ESTIMATED CURRENT EXPENDITURES:</b>				
Site Allocations				
College/District Base Allocations	71,997,018	67,756,298	69,081,614	90,922,719
Formula Adjustments/Contracts	877,161	877,161	877,161	877,161
Apprenticeship Programs	221,148	99,800	99,800	52,353
Salary commitments	3,504,876	3,368,082	3,174,396	4,067,455
Matriculation	0	0	0	0
<b>Districtwide Obligations</b>				
Other Employee/Retiree Benefits	27,036,562	28,751,155	28,751,155	10,016,926
Utilities	5,009,782	5,070,145	5,070,145	5,161,408
Insurance	998,928	1,079,000	1,079,000	1,098,422
Soft/Hardware Maintenance Contracts	597,400	1,046,702	1,046,702	1,141,333
<b>Special Appropriations</b>				
FTES Growth	0	0	0	0
Managed Hiring	1,629,000	1,058,000	1,358,000	1,093,500
Resource Allocation Model	0	0	0	0
Miscellaneous	1,118,000	1,118,000	1,118,000	1,118,000
Consultants/Legal Expense	203,200	200,000	200,000	403,600
Election	0	0	0	0
Program Improvement	50,000	50,000	0	0
Classified Staff Development	50,000	50,000	50,000	50,000
Management Staff Development	16,232	19,492	19,492	19,492
Professional Development	265,000	265,000	265,000	245,000
Technology Advancement	306,900	0	0	0
Museum of Tolerance	0	0	0	0
Reserve Fund for Post-Retirement Benefits	0	0	0	0
<b>ESTIMATED CURRENT EXPENDITURES</b>	<b>\$113,881,207</b>	<b>\$110,808,835</b>	<b>\$112,240,465</b>	<b>\$116,267,369</b>
<b>TOTAL ESTIMATED EXPENDITURES</b> including carryover	<b>\$121,280,322</b>	<b>\$120,645,166</b>	<b>\$122,030,737</b>	<b>\$123,229,932</b>
Reserve for Contingency	\$6,064,016	\$5,540,442	\$6,101,537	\$6,161,497
Revolving Fund, Stores, & General Reserve	0	0	0	0
Unallocated Ending Balance	1,067,272	0	86,069	0
Estimated Marginal Revenue/Deficit	-5,407,030	-1,695,684	2	-7,809,135
<b>TOTAL EXPENDITURES + RESERVES</b> <b>(Unrestricted General Fund)</b>	<b>\$123,004,580</b>	<b>\$124,489,924</b>	<b>\$128,218,345</b>	<b>\$121,582,294</b>

San Mateo County Community College District

Exhibit B

**2011-12 TENTATIVE BUDGET - SELF-INSURANCE FUND**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 6,286,697	\$ 7,504,143	\$ 7,504,143	\$ 8,719,800
ESTIMATED INCOME				
Interest	\$ 57,843	\$ 115,625	\$ 110,000	\$ 110,500
Self Insurance Transfer	1,751,462	1,745,000	1,731,002	1,740,000
Interfund Transfer In	-	-	-	-
TOTAL ESTIMATED INCOME	<u>\$ 1,809,305</u>	<u>\$ 1,860,625</u>	<u>\$ 1,841,002</u>	<u>\$ 1,850,500</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 8,096,002</u>	<u>\$ 9,364,768</u>	<u>\$ 9,345,145</u>	<u>\$ 10,570,300</u>
ESTIMATED EXPENDITURES				
Salaries	\$ 101,235	\$ 26,709	\$ 37,810	\$ 38,000
Benefits	49,824	12,752	17,535	17,624
Supplies	-	10,000	-	10,000
Operating Expenses	440,800	926,000	570,000	700,000
TOTAL ESTIMATED EXPENDITURES	<u>\$ 591,859</u>	<u>\$ 975,461</u>	<u>\$ 625,345</u>	<u>\$ 765,624</u>
TOTAL ENDING BALANCE	<u>\$ 7,504,143</u>	<u>\$ 8,389,307</u>	<u>\$ 8,719,800</u>	<u>\$ 9,804,676</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u>\$ 8,096,002</u>	<u>\$ 9,364,768</u>	<u>\$ 9,345,145</u>	<u>\$ 10,570,300</u>

San Mateo County Community College District

Exhibit C

**2011-12 TENTATIVE BUDGET - DEBT SERVICE**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 18,441,349	\$ 20,213,255	\$ 20,213,255	\$ 20,238,228
ESTIMATED INCOME				
Interest	\$ 241,591	\$ 251,200	\$ 143,964	\$ 145,000
Property Taxes	26,507,014	26,185,000	26,100,000	27,400,000
Transfer In	-	-	-	-
Others	171,843	115,000	145,000	130,000
TOTAL ESTIMATED INCOME	<u>26,920,448</u>	<u>26,551,200</u>	<u>26,388,964</u>	<u>27,675,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$45,361,797</u>	<u>\$ 46,764,455</u>	<u>\$46,602,219</u>	<u>\$47,913,228</u>
ESTIMATED EXPENDITURES				
Debt Reduction - Principal	\$ 9,575,000	\$ 11,200,000	\$ 11,200,000	\$ 12,985,000
Debt Reduction - Interest	15,573,542	15,163,992	15,163,991	14,669,116
Others	-	-	-	-
TOTAL ESTIMATED EXPENDITURES	<u>\$25,148,542</u>	<u>\$ 26,363,992</u>	<u>\$26,363,991</u>	<u>\$27,654,116</u>
TOTAL ENDING BALANCE	<u>\$20,213,255</u>	<u>\$ 20,400,463</u>	<u>\$20,238,228</u>	<u>\$20,259,112</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u>\$45,361,797</u>	<u>\$ 46,764,455</u>	<u>\$46,602,219</u>	<u>\$47,913,228</u>

**2011-12 TENTATIVE BUDGET - SPECIALLY FUNDED PROGRAMS**  
**Based on Current Agreements and Funding Estimates**

<u>Fund</u>	<u>Program</u>	<u>Source</u>	<u>College of San Mateo</u>	<u>Cañada College</u>	<u>Skyline College</u>	<u>Chancellor's Office</u>	<u>Total</u>
30004	TRIO - Student Support Services	Federal			512,198		512,198
30004	TRIO - Upward Bound	Federal		250,000			250,000
30005	Work Study	Federal	106,385	83,799	262,102		452,286
30007	CTEA IC	Federal	205,199	138,522	226,470		570,191
30028	TRIO - Student Support Services	Federal		238,496			238,496
30XXX	CTEA CTE Transitions	Federal	46,970	46,970	46,970		140,910
30057	Workability III	Federal			149,214		149,214
30079	Minority Science and Engineering Impr Prog	Federal		140,000			140,000
30080	College Cost Reduction and Access	Federal		70,000			70,000
30083	WIA - EWD/Allied Health Prog	Federal		25,000			25,000
30085	USDOL-ETA CBJTG BayCEC	Federal			400,000		400,000
30086	NSF S-STEM (M-SETS) Scholarships	Federal		150,000			150,000
30091	USDOE FIPSE University Center Consortiun	Federal		140,000			140,000
30092	EDD Green Innovation - Wagner	Federal			30,000		30,000
30093	NSF Online Engineering Education	Federal		90,000			90,000
30094	NASA CIPAIR	Federal		150,000			150,000
30096	EDD Green Innovation WIA	Federal			150,000		150,000
30097	Santa Clarita CCD US Dept of Energy	Federal	3,000	7,000	5,000		15,000
30098	SMC CBJTG Home Energy Retrofit Occ	Federal		20,000	200,000		220,000
30099	FCCC-MESA-CA Connects-ARRA	Federal		8,000			8,000
31002	DSP&S	State	425,858	238,426	383,863		1,048,147
31003	EOP&S	State	400,040	334,268	352,050		1,086,358
31004	EOP&S/CARE	State	21,951	30,167	30,369		82,487
31009	Matriculation	State	275,033	188,490	227,891		691,414
31012	Foster Care Education	State		83,474			83,474
31016	AB602-Board Fin Asst Prog Adm Allow	State	270,055	212,211	260,491		742,757
31031	CalWORKs	State	118,752	118,751	118,752		356,255
31032	Middle College High School	State	84,604	84,604			169,208
31033	TANF	Federal	24,536	24,537	24,537		73,610
31035	Center for Int'l Trade Development	State			205,000		205,000
31045	Staff Diversity	State				8,540	8,540
31055	MESA/CCCP	State		50,568	50,568		101,136
31069	Prop 20--Lottery	State				400,000	400,000
31078	Enrollment Growth AD Nursing	State	101,087				101,087
31109	Basic Skills 09-10 Appropriation	State	90,000	50,000			140,000
31110	CTE Com Collab. Proj. 2010-2012	State			80,000		80,000
31113	Basic Skills 10-11 Appropriation	State	90,000	105,137	40,303		235,440
311XX	Basic Skills 11-12 Appropriation	State	90,000	105,137	110,303		305,440
31114	Calif EDD Green Innovation	State			2,000,000		2,000,000
31117	Career Advancement Academy	State			900,000		900,000
31118	CTE Com Collab. Proj. 2011-2013	State			200,000		200,000
32004	Public Bdcst-CSG-FM	Local	167,652				167,652
32017	Menlo Park Redevelopment	Local		218,400			218,400
32033	San Francisco Foundation	Local			140,000		140,000
32056	San Francisco Foundation	Local			100,000		100,000
32075	SF Fdtn - BAWFC - SSS Grant	Local			90,000		90,000
32078	Silicon Valley Comm Fdtn-CBET Prog.	Local		100,000			100,000
32079	The Grove Foundation-SKY CTE Schol	Local			100,000		100,000
32080	The Grove Foundation-CAN CBET	Local		30,000			30,000
35015	OPEB Obligations	Local				50,000	50,000
35022	KCSM TV	Local	1,200,000				1,200,000
35023	KCSM FM	Local	1,500,000				1,500,000
35046	Peninsula Library Systems	Local				140,000	140,000
36010	County of San Mateo WIB	Local			4,938		4,938
38178	County of SM Business Writing Academy	Local		6,754			6,754
39001	Parking Fees	Local				2,835,000	2,835,000
39030	Health Service Fees	Local	363,825	212,625	344,925		921,375
Total 2011-2012 Tentative Budget			<u>\$5,584,947</u>	<u>\$3,751,336</u>	<u>\$7,745,944</u>	<u>\$3,433,540</u>	<u>\$20,515,767</u>

San Mateo County Community College District

Exhibit E

**2011-12 TENTATIVE BUDGET - CAPITAL PROJECTS FUND**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 346,931,552	\$ 218,549,642	\$ 218,549,642	\$ 136,413,816
ESTIMATED INCOME				
Bond Construction	\$ 3,636,464	\$ 2,200,000	\$ 1,201,800	\$ 700,000
Staff Housing Project	11,395,726	3,540,664	3,462,137	0
Capital Outlay Projects - State Funded	0	0	0	0
Capital Outlay - Planning	5,635,943	0	0	0
C.O.P. Capital Projects	15,315	16,000	0	0
College Capital Outlay Planning	0	0	10,000	0
College Vista Maintenance Reserves	469,000	465,000	996,000	996,000
Facilities Capital Improvement	1,393,008	0	21,465	0
Foundation Funded Projects	2,596	0	3,132	0
Hazardous Substances Projects -State Funde	1,531,804	2,995,666	5,608,019	420,647
Interest	382,350	400,000	0	0
Proceeds from Land Sales - Restricted	0	0	0	0
Property Management Study	0	0	0	0
Redevelopment	2,324,163	1,956,000	1,956,000	2,025,000
Scheduled Maintenance - State Funded	61,085	62,597	35,313	27,284
Scheduled Maintenance - District Funded	18,440	0	49,635	0
Non-resident capital outlay recovery fee	49,208	49,500	51,386	52,000
TOTAL ESTIMATED INCOME	\$ 26,915,102	\$ 11,685,427	\$ 13,394,886	\$ 4,220,931
TOTAL INCOME & NET BEGINNING BALANCE	\$ 373,846,654	\$ 230,235,069	\$ 231,944,528	\$ 140,634,747
ESTIMATED EXPENDITURES				
Bond Construction	\$ 139,378,332	\$ 145,268,773	\$ 87,203,882	\$ 58,413,804
Canada Staff Housing Planning	9,576,881	2,174,494	2,010,422	2,372,409
Capital Outlay - Planning	0	23,599,575	17,696	1,000,000
Capital Outlay Projects - State Funded	0	0	0	0
C.O.P. Capital Projects	931,264	1,103,535	69,722	1,033,813
College Capital Outlay Planning	28,575	592,491	374,207	478,285
College Vista Maintenance Reserves	0	2,552,500	0	2,827,500
Facilities Capital Improvement	232,333	5,257,503	176,283	5,533,544
Foundation Funded Projects	2,596	0	3,132	0
Hazardous Substances Projects -State Funde	1,490,448	3,425,915	5,608,019	747,485
Proceeds from Land Sales - Restricted	0	27,101,846	0	0
Property Management Study	43,693	291,326	3,097	50,000
Redevelopment	251,447	12,007,585	6,530	650,000
Scheduled Maintenance - State Funded	61,085	62,598	35,313	27,284
Scheduled Maintenance - District Funded	3,300,000	36,488	22,410	38,405
Non-resident capital outlay recovery fee	358	488,575	0	0
TOTAL ESTIMATED EXPENDITURES	\$ 155,297,012	\$ 223,963,204	\$ 95,530,712	\$ 73,172,529
TOTAL ENDING BALANCE	\$ 218,549,642	\$ 6,271,865	\$ 136,413,816	\$ 67,462,218
TOTAL EXPENDITURES & ENDING BALANCE	\$ 373,846,654	\$ 230,235,069	\$ 231,944,528	\$ 140,634,747

San Mateo County Community College District

Exhibit F

**2011-12 TENTATIVE BUDGET - BOOKSTORE FUND**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 6,471,737	\$ 6,677,738	\$ 6,677,738	\$ 6,946,656
ESTIMATED INCOME				
Sales	\$ 7,873,047	\$ 7,920,000	\$ 7,363,987	\$ 7,300,000
Other	432,996	300,000	455,084	600,000
TOTAL ESTIMATED INCOME	<u>\$ 8,306,043</u>	<u>\$ 8,220,000</u>	<u>\$ 7,819,072</u>	<u>\$ 7,900,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 14,777,780</u>	<u>\$ 14,897,738</u>	<u>\$ 14,496,810</u>	<u>\$ 14,846,656</u>
ESTIMATED EXPENDITURES				
Cost of Merchandise Sold	\$ 5,543,684	\$ 5,500,000	\$ 4,871,611	\$ 4,745,000
(Classified) Salaries	1,322,622	1,200,000	\$ 1,302,130	1,400,000
Employee Benefits	384,954	330,000	\$ 419,280	425,000
Supplies	16,623	22,000	\$ 41,413	45,000
Other Operating Expense	627,910	741,000	\$ 632,682	640,000
TOTAL ESTIMATED EXPENDITURES	<u>\$ 7,895,792</u>	<u>\$ 7,793,000</u>	<u>\$ 7,267,116</u>	<u>\$ 7,255,000</u>
DISTRICT SUPPORT PAID/(RECEIVED)				
Salaries & Benefits	\$ 117,340	\$ 130,000	\$116,918	\$ 120,000
Rent	67,700	67,700	\$67,700	67,700
Donations	19,210	15,000	\$98,419	25,000
POS system	-	-		
TOTAL DISTRICT SUPPORT	<u>\$ 204,250</u>	<u>\$ 212,700</u>	<u>\$ 283,038</u>	<u>\$ 212,700</u>
TOTAL ENDING BALANCE	<u>\$ 6,677,738</u>	<u>\$ 6,892,038</u>	<u>\$ 6,946,656</u>	<u>\$ 7,378,956</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 14,777,780</u>	<u>\$ 14,897,738</u>	<u>\$ 14,496,810</u>	<u>\$ 14,846,656</u>

## San Mateo County Community College District

Exhibit G

**2011-12 TENTATIVE BUDGET - CAFETERIA FUND**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 398,444	\$ 415,501	\$ 415,501	\$ 413,903
Adjustment to the Beginning Balance				
ESTIMATED INCOME				
Food Service Income	\$ 104,568	\$ 112,000	\$ 126,501	\$ 150,000
Special Contract Revenue	20,000	20,000	20,000	\$ 20,000
Vending Income	60,718	62,000	62,262	\$ 65,000
Other (interest/other)	3,503	2,000	3,680	\$ 2,000
TOTAL INCOME	<u>\$ 188,790</u>	<u>\$ 196,000</u>	<u>\$ 212,442</u>	<u>\$ 237,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 587,233</u>	<u>\$ 611,501</u>	<u>\$ 627,944</u>	<u>\$ 650,903</u>
ESTIMATED EXPENDITURES				
District/College Support	\$ 71,891	\$ 78,000	\$ 74,982	\$ 65,000
Operational Expenses	99,841	\$ 114,000	139,059	140,000
TOTAL EXPENDITURES	<u>\$ 171,732</u>	<u>\$ 192,000</u>	<u>\$ 214,041</u>	<u>\$ 205,000</u>
TOTAL ENDING BALANCE	<u>\$ 415,501</u>	<u>\$ 419,501</u>	<u>\$ 413,903</u>	<u>\$ 445,903</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 587,233</u>	<u>\$ 611,501</u>	<u>\$ 627,944</u>	<u>\$ 650,903</u>

San Mateo County Community College District

Exhibit H

**2011-12 TENTATIVE BUDGET - SAN MATEO ATHLETIC CLUB & AQUATIC CENTER**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ -	\$ (321,505)	\$ (321,505)	\$ (273,643)
ESTIMATED INCOME				
Registration and Memberships	\$ 215,505	\$ 2,120,110	\$ 1,878,837	\$ 2,300,000
TOTAL ESTIMATED INCOME	<u>\$ 215,505</u>	<u>\$ 2,120,110</u>	<u>\$ 1,878,837</u>	<u>\$ 2,300,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 215,505</u>	<u>\$ 1,798,605</u>	<u>\$ 1,557,332</u>	<u>\$ 2,026,357</u>
ESTIMATED EXPENDITURES				
Preopening Expenses	\$ 158,521	\$ -	\$ -	\$ -
Operating Expenses	378,489	1,902,979	1,798,060	2,087,587
TOTAL ESTIMATED EXPENDITURES	<u>\$ 537,010</u>	<u>\$ 1,902,979</u>	<u>\$ 1,798,060</u>	<u>\$ 2,087,587</u>
DISTRICT SUPPORT				
ADMINISTRATION SALARY AND BENEFITS (RECEIVED)	\$ -	\$ -	\$ 32,915	\$ 40,000
TOTAL DISTRICT SUPPORT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,915</u>	<u>\$ 40,000</u>
TOTAL ENDING BALANCE	<u>\$ (321,505)</u>	<u>\$ (104,374)</u>	<u>\$ (273,643)</u>	<u>\$ (101,230)</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 215,505</u>	<u>\$ 1,798,605</u>	<u>\$ 1,557,332</u>	<u>\$ 2,026,357</u>

San Mateo County Community College District

Exhibit I

**2011-12 TENTATIVE BUDGET - CHILD DEVELOPMENT FUND**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$166,888	\$188,719	\$188,719	\$161,739
ESTIMATED INCOME				
Fees	\$194,196	\$231,753	\$240,690	\$270,000
Calif. Dept. of Educ. - Child Development	399,432	395,180	353,980	490,000
Calif. Dept. of Educ. - Child Nutrition	2,144	2,200	2,010	3,600
Federal Revenue - Child Nutrition	37,124	38,000	34,520	55,500
Incoming Transfers/Other	446,691	406,443	429,647	370,963
TOTAL INCOME	\$1,079,588	\$1,073,575	\$1,060,847	\$1,190,063
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$1,246,476</u>	<u>\$1,262,294</u>	<u>\$1,249,565</u>	<u>\$1,351,802</u>
ESTIMATED EXPENDITURES				
Salaries	\$685,954	\$675,021	\$699,667	\$739,115
Employee Benefits	323,550	334,472	317,302	332,963
Supplies	9,421	6,600	15,700	12,000
Food	40,200	45,000	48,477	82,000
Other Operating Expense	(1,367)	12,483	6,680	3,200
TOTAL ESTIMATED EXPENDITURES	\$1,057,758	\$1,073,575	\$1,087,826	\$1,169,278
ESTIMATED ENDING BALANCE	\$188,719	\$188,719	\$161,739	\$182,524
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$1,246,476</u>	<u>\$1,262,294</u>	<u>\$1,249,565</u>	<u>\$1,351,802</u>

San Mateo County Community College District

Exhibit J

**2011-12 TENTATIVE BUDGET - SM Parcel Tax (Measure G)**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ 1,350,000
ESTIMATED INCOME				
Property Taxes	\$ -	\$ 6,000,000	\$ 6,344,000	\$ 6,000,000
TOTAL ESTIMATED INCOME	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 6,344,000</u>	<u>\$ 6,000,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 6,344,000</u>	<u>\$ 7,350,000</u>
ESTIMATED EXPENDITURES				
Salaries	\$ -	\$ 4,800,000	\$ 3,984,000	\$ 4,935,840
Benefits	-	875,000	920,000	820,300
Supplies	-	325,000	40,000	163,542
Operating Expenses	-	-	50,000	80,318
TOTAL ESTIMATED EXPENDITURES	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 4,994,000</u>	<u>\$ 6,000,000</u>
TOTAL ENDING BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,350,000</u>	<u>\$ 1,350,000</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u>\$ -</u>	<u>\$ 6,000,000</u>	<u>\$ 6,344,000</u>	<u>\$ 7,350,000</u>

San Mateo County Community College District

Exhibit K

**2011-12 TENTATIVE BUDGET - TRUST FUNDS**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$235,313	\$250,430	\$250,430	\$250,430
ESTIMATED INCOME				
Federal PELL, SEOG, ACG, Direct Loans, NSF	\$14,343,223	\$15,163,205	\$19,078,954	\$15,000,000
Cal Grants	441,176	441,176	520,000	520,000
Scholarships	366,093	365,000	450,000	450,000
Transfers-In	280,969	252,695	260,000	260,000
Other	60,118	0	0	0
TOTAL ESTIMATED INCOME	<u>\$15,491,579</u>	<u>\$16,222,076</u>	<u>\$20,308,954</u>	<u>\$16,230,000</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$15,726,891</u>	<u>\$16,472,506</u>	<u>\$20,559,384</u>	<u>\$16,480,430</u>
ESTIMATED EXPENDITURES				
Federal PELL, SEOG, ACG, Direct Loans, NSF	\$14,450,391	\$15,163,205	\$19,078,954	\$15,000,000
Cal Grants	441,176	441,176	520,000	520,000
Scholarships	366,093	365,000	450,000	450,000
Other (EOP&S, CARE, TRIO)	218,801	252,695	260,000	260,000
TOTAL EXPENDITURES	<u>\$15,476,461</u>	<u>\$16,222,076</u>	<u>\$20,308,954</u>	<u>\$16,230,000</u>
TOTAL ENDING BALANCE	\$250,430	\$250,430	\$250,430	\$250,430
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$15,726,891</u>	<u>\$16,472,506</u>	<u>\$20,559,384</u>	<u>\$16,480,430</u>

San Mateo County Community College District

Exhibit L

**2011-12 TENTATIVE BUDGET - RESERVE FUND FOR POST-RETIREMENT BENEFITS**

	Actual 2009-10	Final Budget 2010-11	Estimated Actual 2010-11	Tentative Budget 2011-12
ESTIMATED NET BEGINNING BALANCE	\$ 34,564,967	\$ 33,749,526	\$ 33,749,526	\$ 26,579,598
ESTIMATED INCOME				
Incoming Transfers	\$ 2,521,170	\$ -	\$ -	\$ -
Interest	291,190	300,000	370,020	195,000
OPEB Contribution	2,435,979	2,502,131	2,458,652	1,230,000
Home Loan Income	7,530	12,488	39,570	12,500
TOTAL INCOME	<u>\$ 5,255,868</u>	<u>\$ 2,814,619</u>	<u>\$ 2,868,242</u>	<u>\$ 1,437,500</u>
TOTAL INCOME & NET BEGINNING BALANCE	<u>\$ 39,820,835</u>	<u>\$ 36,564,145</u>	<u>\$ 36,617,768</u>	<u>\$ 28,017,098</u>
ESTIMATED EXPENDITURES				
Retirement Board Transfer out	\$ 5,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Other Outgo	1,021,170	-	-	-
Operating Expenses	50,139	55,000	38,170	30,000
ESTIMATED EXPENDITURES	<u>\$ 6,071,309</u>	<u>\$ 10,055,000</u>	<u>\$ 10,038,170</u>	<u>\$ 10,030,000</u>
TOTAL ENDING BALANCE	<u>\$ 33,749,526</u>	<u>\$ 26,509,145</u>	<u>\$ 26,579,598</u>	<u>\$ 17,987,098</u>
TOTAL EXPENDITURES & ENDING BALANCE	<u>\$ 39,820,835</u>	<u>\$ 36,564,145</u>	<u>\$ 36,617,768</u>	<u>\$ 28,017,098</u>