

**SANTA BARBARA CITY COLLEGE
COLLEGE PLANNING COUNCIL
May 20, 2008
3:00 p.m. – 4:30 p.m.
A218C**

MINUTES

PRESENT: J. Friedlander, A. Scharper, I. Alarcon, D. Cooper, T. Garey, L. Auchincloss,
M. Guillen, C. Ramirez

ABSENT: P. Bishop, S. Ehrlich, J. Sullivan, B. Partee, G. Thielst, K. Molloy [Alarcon proxy]

GUESTS: J. Romo, Judy Meyer [Thielst]

1.0 Call to Order

1.1 Approval of the minutes of the April 29th CPC meeting.

M/S/C [Guillen/Auchincloss] to approve the minutes as corrected. Judy Meyer abstained.

Correction: 3.1 Update on state budget: *John Romo*

John Romo reported to the Council that he has confirmed with the Chancellor's Office that the Board of Governors will not be giving waivers for the hiring of new faculty positions in 2008 in order to maintain the 75%/25% 75% full-time/25% part-time faculty ratio. The Chancellor did say that after the May revise if is more definitive that the \$125m reduction that we have already taken in this year's budget is not going to be one time that they will do a recalculation of base funding and that re-calculation could reduce the District's 75%/25% 75% full-time/25% part-time faculty ratio obligation.

2.0 Announcements

There were no announcements.

3.0 Information Items

3.1 Budget update and the implications for SBCC

John Romo gave an update on the budget and recapped the May revise for community colleges which he said was quite positive He said we came out better than the K-12 system. President Romo covered six major items:

- There is almost \$70m of backfill for this year is property tax shortfall
- There is no COLA for 2008-09 to the General Fund.

- There will be an adjustment to the 2008-09 budget of \$129m to offset the projected drop in property tax revenue next year
- There is \$35.5m (1.67%) in growth for the system
- There is no change to the proposed budget reductions to categorical programs, which range from 3 to 10.89% depending upon the program
- There will be no increase in the per-unit enrollment fee.

President Romo spoke to the anticipated voter approval of Measure V. Jack Friedlander again commended John Romo on his commitment and dedication to the success of this bond measure.

John Romo communicated that we are going to require that all remaining expenditures against this year's budget be only for essential and/or health and safety items. All requisitions have to be signed by a vice president. He said we need to build our ending balances in order to help us off-set some of the cuts that we might have to make to next year's budget. President Romo said we will need to keep the freeze on filling regular classified and management vacant positions until we know if Measure V is approved by the voters. If the bond passes on June 3rd, then we will review the General Fund positions that are currently open and evaluate them on a case-by-case basis and fill those that we determine are essential for operations. That would be done in EC. With regard to categorical funding, we have asked categorical programs to make their adjustments along the guidelines of the Governor's budget but will continue to use District funds to provide core services. John Romo said that at the May study session we will inform the Board that we are planning the 2008-09 college budget with a 2% reduction to the 2008-09 General Fund. The vice presidents have been asked to look where they can find 2% to reduce from their expenditures. It was reported that \$1,300,000 was taken out of the Equipment Fund and all of the \$1.2m dollars for the facilities maintenance was taken out of the budget.

Liz Auchincloss asked that considering the Governor's budget may not be realistic, are we still going to be careful about what is reinstated? President Romo responded that we will consider each vacant position on a case-by-case and only those considered to be core to the operation of the college will be filled.

3.2 Status of the SLO Implementation Plan

Jack Friedlander reported that we have a very aggressive plan to implement SLOs at the course and program level by the end of next year which should meet the accreditation requirements. For the non-Educational Program in department/units, Darla Cooper has developed in consultation with these areas, a program review method. They do not have to have SLOs but they need to define what their outcomes are, how they will be assessed and used to improve the service, and how the outcomes of the program review ties into the college's budget and planning processes. Dr. Friedlander said that President Andreea Serban will be coming to CPC's summer meeting to discuss the accreditation standards and what changes

she will ask the Council to consider to make to its budget and planning processes so that they are in close alignment with the new accreditation standards.

4.0 Discussion items

4.1 Organizational structure for the accreditation self study

Darla Cooper discussed the organization of the committees and sub-committees for the accreditation self study. She said there are four standards; two are quite large and are broken into sub-sections. There are a total of 11 standard committees. The steering committee is made up of the co-chairs for each of the larger four standards. It will be up to the co-chairs to work together to staff their committees with members with the instruction that the committees need to have representatives from each consultation body.

4.2 Changes to *Board Policy 6251 – Principles of Budget Development* and the addition of Budget Principle 13.

The Council reviewed the latest reiteration of the Budget Principals.

M/S [Alarcon/Guillen] to approve Budget Principle 13.

Discussion: Liz Auchincloss asked how priority would be given when budget restorations are made. Jack Friedlander responded that each vice president would be given a proportional amount of the funds cut in their area. It would be up to each vice president, working through his/her own consultation process, to determine how to restore his/her cuts. Ms. Auchincloss said that is not reflected in the way in which Principle 13 is presently written. The Council modified the language to Principle 13 so that it clearly reflects the intent of the Council:

13. The District is committed to fully restoring budget reductions. Beginning with the budget year 2008/09, the District shall first reinstate the reductions prior to allocating revenues to new positions or expense on a dollar for dollar basis. Restorations will begin when budgeted revenue exceeds budgeted expense and/or ending balances exceed the budgeted increase in expenses and shall be distributed in proportion to the actual reductions across the President's Office and each vice president's budget area.

The Council agreed that the change reflected to Principle 10 should not be made and the original deleted language be restored. The Council further agreed that their charge today was to approve the language of Principle 13 and not to approve the changes recommended by EC [*as reflected in the attachment to Item 4.2*].

M/S [Garey/Guillen] to amend the main motion to accept the changes to Principal 13 and add the additional language to Principles 2, 3 and 8 and not to accept the EC recommendations to Principals 4 and 10.

The motion was carried to accept the amendment to the main motion.

The main motion was unanimously approved as amended.

Tom Garey asked that it be noted that there will be no Academic Senate action on this item until its summer July 16th meeting. It will be brought back to CPC at its summer meeting after the Academic Senate meets.

4.3 Process for establishing numerical targets for the goals and objectives in the College Plan 2008-2011.

Dr. Friedlander said that we need to establish numerical targets for each of the objectives in the College Plan. He said after meeting with several of the deans in the areas of student access and achievement, we came up with what we thought were reasonable targets for many, but not all, of the objectives in the College Plan: 2008-2011. The deans will be working with the faculty and staff in their respective areas to identify measurable numerical targets for achieving the College Plan objectives in their respective areas. The recommended numerical outcomes will come back to CPC, most likely in the fall. Jack Friedlander will be working with vice presidents to establish targets that haven't been established outside of the ones for which Educational Programs is responsible for achieving.

5.0 Other Items

5.1 Date and topics for summer CPC meeting.

Topics will include budget update: presentation by Dr. Serban on the agenda items she would like CPC to focus on in 2008-09; confirmation of numerical targets for the goals and objectives in the College Plan 2008-2011; and process for integrating outcomes of program reviews and SLOs into the college's budget and planning processes for 2008-09. Because of the low attendance at the Council meeting, a date will be determined by e-mail to Council members. **(Note: Date of July 17th at 3:00 PM has been determined)**

6.0 Adjournment

Santa Barbara City College
Comparison of FTES with Previous Year
2007-2008
Annual (July 2008)

CREDIT

	2007-2008	2006-2007	<u>Difference</u> <u>FTES Percentage</u>	
Summer				
Resident				
Daily Census	600.4	667.6	-67.2	-10.1%
Positive Attendance	107.3	89.2	18.1	20.3%
Ind Study/Work Exp	274.8	226.0	48.8	21.6%
<i>Subtotal</i>	<i>982.5</i>	<i>982.8</i>	<i>-0.3</i>	<i>0.0%</i>
Non-Resident				
Daily Census	73.9	70.8	3.1	4.4%
Positive Attendance	4.0	2.8	1.2	41.3%
Ind Study/Work Exp	13.2	11.5	1.7	15.1%
<i>Subtotal</i>	<i>91.1</i>	<i>85.1</i>	<i>6.0</i>	<i>7.1%</i>
Total	1,073.6	1,067.9	5.7	0.5%
Fall				
Resident				
Weekly Census	5,152.3	4,582.7	569.7	12.4%
Daily Census	167.9	192.7	-24.8	-12.9%
Positive Attendance	549.0	483.1	65.9	13.6%
Ind Study/Work Exp	198.4	793.4	-595.1	-75.0%
<i>Subtotal</i>	<i>6,067.7</i>	<i>6,052.0</i>	<i>15.7</i>	<i>0.3%</i>
Non-Resident				
Weekly Census	788.6	627.0	161.7	25.8%
Daily Census	16.7	14.4	2.3	15.7%
Positive Attendance	51.8	30.4	21.4	70.4%
Ind Study/Work Exp	10.4	52.8	-42.4	-80.4%
<i>Subtotal</i>	<i>867.5</i>	<i>724.5</i>	<i>142.9</i>	<i>19.7%</i>
Total	6,935.1	6,776.5	158.6	2.3%

Santa Barbara City College
Comparison of FTES with Previous Year
2007-2008
Annual (July 2008)

	2007-2008	2006-2007	Difference	
			<u>FTES</u>	<u>Percentage</u>
Spring				
Resident				
Weekly Census	5,092.3	4,429.9	662.4	15.0%
Daily Census	223.0	296.9	-73.9	-24.9%
Positive Attendance*	593.6	582.4	11.2	1.9%
Ind Study/Work Exp	212.2	837.3	-625.1	-74.7%
<i>Subtotal</i>	<i>6,121.1</i>	<i>6,146.4</i>	<i>-25.3</i>	<i>-0.4%</i>
Non-Resident				
Weekly Census	838.5	634.6	203.9	32.1%
Daily Census	16.0	17.0	-1.0	-5.8%
Positive Attendance	46.6	40.3	6.3	15.7%
Ind Study/Work Exp	12.3	46.3	-34.0	-73.4%
<i>Subtotal</i>	<i>913.5</i>	<i>738.2</i>	<i>175.3</i>	<i>23.7%</i>
Total	7,034.6	6,884.6	150.0	2.2%
Total Credit FTES Earned	15,043.3	14,729.0	314.3	2.1%
* Includes 29.19 projected FTES for Spring 2008 classes where hours have yet to be reported.				
Total Credit RESIDENT Earned	13,171.2	13,181.1	-9.9	-0.1%
Borrowed FTES in 2006-2007, Repayment in 2007-2008	-125.76	-1.9		
Borrowed FTES from 2008-2009	191.68			
Total Credit FTES RESIDENT <u>Reported</u>	13,237.1	13,179.2	57.9	0.4%
Total Credit FTES Non-Resident	1,872.1	1,547.9	324.2	20.9%
NON-CREDIT				
	2007-2008	2006-2007	Difference	
			<u>FTES</u>	<u>Percentage</u>
Summer	320.2	310.0	10.2	3.3%
Fall	849.2	826.8	22.3	2.7%
Spring	1,426.6	1,252.7	173.9	13.9%
Total Non-credit FTES Reported	2,595.9	2,389.5	206.4	8.6%
Total FTES Reported	15,833.1	15,568.7	264.3	1.7%

Santa Barbara City College
Comparison of FTES with Previous Year
2007-2008
Annual (July 2008)

	2007-2008	2006-2007	<u>Difference</u>	
			<u>FTES</u>	<u>Percentage</u>
Enhanced Non-Credit FTES				
Summer	140.52	143.68	-3.2	-2.2%
Fall	315.99	304.95	11.0	3.6%
Winter	237.92	233.76	4.2	1.8%
Spring	220.70	184.90	35.8	19.4%
Total	915.13	867.29	47.8	5.5%
 Center FTES				
Schott				
Non-credit	1,221.36	1,088.99	132.4	12.2%
Wake				
Non-credit	1,374.58	1,300.51	74.1	5.7%
Credit	156.78	70.13	86.7	123.6%
<i>Subtotal</i>	<i>1,531.36</i>	<i>1,370.64</i>	<i>160.7</i>	<i>11.7%</i>
Total	2,752.72	2,459.63	293.1	11.9%

Santa Barbara City College
FTES Targets
2007-2008

	Allowable Growth (1.15%)				
	Noncredit				Total
	Credit	Enhanced	Non-Enhanced	Total	
2006-2007 Apportionment Base	13,179.25	867.29	1,522.21	2,389.50	15,568.75
Potential Growth FTES	151.56	9.97	17.51	27.48	179.04
SBCC Growth Rate	1.150%	1.150%	1.150%	1.150%	1.150%
2007-2008 Growth Target	13,330.81	877.26	1,539.72	2,416.98	15,747.79

2007-2008 FTES Reported

P1 [Jan 24 2008]	13,343.22	1,051.33	1,367.97	2,419.30	15,762.52
Assumes Sp 08 is 4.47% higher than Fall 07					
P2 [May 2 2008]	13,343.98	1,049.45	1,370.73	2,420.18	15,764.16
Credit figure includes FTES borrowed from Summer 08					
Annual [July 11 2008]	13,237.15	915.13	1,680.81	2,595.94	15,833.09
Credit figure includes 191.68 FTES borrowed from Summer 2008					

Difference between Growth Target and Actual

FTES Difference at P1	12.41	174.07	-171.75	2.32	17.05
% Difference	0.09%	19.84%	-11.15%	0.10%	0.11%
FTES Difference at P2	13.17	172.19	-168.99	3.20	19.57
% Difference	0.10%	16.41%	-12.33%	0.13%	0.12%
FTES Difference at Annual	-93.66	37.87	141.09	178.96	85.30
% Difference	-0.71%	4.14%	8.39%	6.89%	0.54%

Difference between Current Year and Last Year Apportionment Base

FTES Difference at P1	163.97	184.04	-154.24	29.80	223.57
% Difference	1.24%	21.22%	-10.13%	1.25%	1.44%
FTES Difference at P2	164.73	182.16	-151.48	30.68	195.41
% Difference	1.25%	21.00%	-9.95%	1.28%	1.26%
FTES Difference at Annual	57.90	47.84	158.60	206.44	264.34
% Difference	0.44%	5.52%	10.42%	8.64%	1.70%

Total FTES (As of Annual)

Credit	
Resident FTES	13,237.15
Nonresident FTES	1,872.10

Credit Total FTES	15,109.25
Noncredit Total FTES	2,595.94

Total SBCC FTES **17,528.55** Includes resident and non-resident, credit and non-credit

2007-08 SBCC Growth Funding Available **\$854,298** (per Exhibit C P2 June 20, 2008)

2007-08 FTES Growth over 2006-07 Base

	FTES	\$/FTES	Total \$ Growth
Non-credit	158.60	\$2,744.96	\$435,350.66
Non-credit enhanced	47.84	\$3,232.07	\$154,622.23
Credit	57.90	\$4,564.83	\$264,303.66
TOTAL	264.34		\$854,276.54

13,179.25 2007-08 Credit FTES Base
57.90 FTES needed over Base
13,237.15 2007-08 Credit FTES Target
13,045.47 2007-08 Credit FTES Earned
191.68 FTES need to borrow from Summer 2008
13,237.15 2007-08 Credit FTES Reported

**SBCC
INTERNATIONAL STUDENT SUPPORT PROGRAM**

	FALL 2007	SPRING 2008	TOTAL ANNUAL	FALL 2008	SPRING 2009	TOTAL ANNUAL	ESTIMATED NUMBERS
Total Enrolled Units	11,298	12,838	24,136	13,650	14,700	28,350	
Enrolled Units per Student	14	14	28	14	14	28	
FTES	365.84	415.71	782	442	476	918	
Student Headcount	807	917	1,724	975	1,050	2,025	
Tuition per Unit	\$179	\$179		\$188	\$188		
Enroll Fee per Unit	\$20	\$20		\$20	\$20		
REVENUE							
Application Fees	7,500	7,500	15,000	7,500	7,500	15,000	
International Tuition	2,022,342	2,298,002	4,320,344	2,566,200	2,763,600	5,329,800	
Enrollment Fees	225,960	256,760	482,720	273,000	294,000	567,000	
	2,255,802	2,562,262	4,818,064	2,848,339	3,065,100	5,913,439	
TOTAL ANNUAL REVENUE			4,818,064			5,913,439	
EXPENSES			2007/2008			2008/09	
Salaries			415,718			440,232	
Benefits			105,024			111,914	
Supplies			24,468			24,033	
Budgeted Operating Expenses			236,213			228,264	
TOTAL COST CENTER EXPENSES			781,423			804,443	
COST OF INSTRUCTION	145,066	164,840	309,906	175,266	188,748	364,014	
(3 TLUs per 25 students at \$1498/TLU)							
ANNUAL COST OF INSTRUCTION			309,906			364,014	
TOTAL ANNUAL EXPENSE (including cost of instruction)			1,091,329			1,168,457	
NET CONTRIBUTION TO DISTRICT			3,728,281			4,744,982	
ANTICIPATED ADDITIONAL COSTS for 2008/09							
Additional international student advisor salary *						75,000	
Additional shared marketing fees **						77,490	
Additional duplicating, student hourly, supplies, T & C						9,000	
ANTICIPATED ADDITIONAL EXPENSES						161,490	
TOTAL ACTUAL AND ANTICIPATED EXPENSES						1,329,947	
ANTICIPATED NET CONTRIBUTION TO DISTRICT						4,583,492	

* As per the Board approved reorganization proposal, an additional international student advisor was supposed to be hired once the total number of international students exceeded 750 students.

** Shared marketing fees are 15 % of tuition, enrollment fees, health, transportation, application fee based on 12 units payable

for the first two semesters for students who are referred by our marketing partners. It is estimated that 80% of our students are referred by marketing partners.

The above listed chart does not include revenue generated by food purchases and campus bookstore purchases made by international students.

Item 4

**International Student
Application/Enrollment Statistics**

Date	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
03/01		73	120		
04/01		115	174		
05/01	139	182	266		
06/01	216	365	404		
07/14	308	477	540		
08/01 Total - Applications	362	539	600 (estimate)		
New enrolled	252	393			
Total Enrollment	611	807			
Total ELSP	104	164			
Total ISAP	507	642			

Date	Spring 2007	Spring 2008	Spring 2009	Spring 2010
10/01	73	171		
11/01	148	278		
12/10 Total - Applications	242	435		
New enrolled	167	373		
Total enrollment	672	920		
Total ELSP	119	197		
Total ISAP	553	723		

Date	Summer 2007	Summer 2008	Summer 2009	Summer 2010
03/01	89	129		
04/01	105	187		
05/01 Total - Applications	137	241		
New enrolled	66	148		
Total Enrollment	342	463		
Total ELSP	68	94		
Total ISAP	313	369		

College Planning Council
July 17, 2008

Attachments 6 and 7 of the College Planning Council July 17, 2008 meeting are missing.

Construction and Renovation Fund

UNFUNDED DISTRICT PROJECTS			
Health and Safety Projects		Estimated Cost	
0.50	Install cafeteria grease trap & replace GDR floor drains	75,000	
0.50	Pigeon decontamination - Parking Structure	80,000	
0.50	Replace bleacher seating - La Playa stadium	50,000	
0.50	Replace/repair bridge deck	1,000,000	??
0.55			
0.60	subtotal for Health and Safety		\$ 1,205,000
0.65			
*	1.00 Children's Center - misc. repairs and upgrades	100,000	??
6525	1.00 Chiller coil replacement and coating	189,200	
*	1.00 DM Air Handler Replacement	248,000	
6/3/2008	1.00 Emergency loudspeaker system	\$150,000	
6/19/2008	1.00 Exterior electronic locks campus wide	\$300,000	??
6/2/2008	1.00 HRC - elevator repairs (Hendricks)	\$18,000	
*	1.00 Humanities - replace Allerton EMS controls with Johnson	25,000	
*	1.00 IDC - Replace flooring & paint interior	500,000	
	1.00 Modernize Press Box	1,706,000	
*	1.00 PE - new landscape at ramps, 3rd floor and La Playa	100,000	
*	1.00 PE - upgrade all restrooms	200,000	
*	1.00 Repair & refinish trellis @ Student Services building	250,000	
4/9/2008	1.00 Repair Roofing - ECC 5-7, 17, 18, 21 and Bookstore	\$75,000	
3/14/2008	1.00 Sports Pavilion - handrail at upper walkway	\$17,000	
*	1.00 Upgrade elevators at Admin & MDT (F&O)	100,000	
*	1.00 Upgrade emergency Phone system	50,000	
*	1.00 Upgrade Energy Management System (EMS) to Back net	175,000	
6/19/2008	1.00 Video surveillance cameras in Oak Restoration area	\$40,000	
1.05			
1.10	Subtotal for Priority 1		\$ 4,243,200
1.15			
6596	2.00 CC bldg seismic re-glazing (remainder)	298,400	
6561	2.00 Exterior paint - IDC, BC	100,000	
*	2.00 Humanities - Chiller pump retrofit	25,000	
*	2.00 Humanities - soundproof rooms 300-303	33,000	
3/14/2008	2.00 Humanities - south stairwell upgrades	\$11,000	
*	2.00 LRC Heating - install reheat system	25,000	
3/21/2008	2.00 LRC Remodel (Pike): Phase I	\$150,000	
*	2.00 MDT - resurface driveway	35,000	
*	2.00 New carpet - A183, MDT classroom, H300,H304, H307, H308	25,000	
*	2.00 New VCT-BC101, PE upstairs locker room	25,000	
3/4/2008	2.00 OE 180 - replace heating system	\$20,000	
*	2.00 Paint interior (misc. OE, Hum, IDC, PE rooms)	25,000	
*	2.00 PE - paint hallways on first and second floor of pavilion	25,000	
*	2.00 PE - recarpet men's team room & women's staff locker room	25,000	
*	2.00 Pershing Park - replace screens at tennis courts	15,000	
*	2.00 Pershing Park - softball facility upgrade	200,000	Title IX
*	2.00 Replace doors and door hardware - Sports Pavilion	100,000	
*	2.00 Replace HVAC units in ECC1-15	42,000	
*	2.00 Replace lockers - women & men's locker rooms	25,000	
*	2.00 Replace seating in PS-101	50,000	
*	2.00 Replace urinals, toilets and drinking fountains	50,000	
*	2.00 Schott Center - emergency generator and lighting system	82,240	
5/7/2008	2.00 Sports Pavilion - Paint 2nd floor hallway	\$10,000	
6531	2.00 Student Services - air balance	125,000	
*	2.00 Student Services - Recarpet second floor	50,000	
*	2.00 Wake - replace child size plumbing fixtures w/standard	25,000	
*	2.00 Wake Center - resurface parking lot	100,000	
6576	3.00 East campus all-weather bus stop	100,000	
6555	3.00 Horticulture fencing and path	90,000	
6518	3.00 Loma Alta Crosswalk ADA Compliance	100,000	
3/21/2008	3.00 LRC Remodel (Pike): Phase II	\$150,000	??
*	3.00 PE - new cabinets and seating in LFC & HPC	25,000	
*	3.00 Replace carpets in Humanities building	525,000	
*	3.00 Replace Floor in Sports Pavilion	1,002,793	
*	3.00 PE - paint exterior	100,000	
*	3.00 PE - replace bleachers in gym	50,000	??
*	3.00 Resurface artificial turf at La Playa	500,000	??
*	3.00 Resurface track at La Playa	250,000	
6549	3.00 Sculpture area roof	75,000	
*	3.00 Wake Center - construct office off computer lab	50,000	
3.10			
3.20	subtotal for Priority 2&3		\$ 4,714,433
3.30	TOTAL (UNFUNDED PROJECTS) =	\$ 10,162,633	\$ - \$ 10,162,633
4.10			
4.20	FUTURE PROJECTS		
4.25			
4.25			
4.40	TOTAL (UNFUNDED FUTURE PROJECTS) =	\$0	

Projects specifically mentioned in the bond support are in green highlight
 ?? = No estimate or don't really know
 Might not be required any longer

PRINCIPLES OF BUDGET DEVELOPMENT

The Principles of Budget Development shall be used to allocate resources and thereby protect Santa Barbara Community College District's viability as an institution capable of fulfilling its educational mission. The allocation of resources shall accomplish the following goals:

- Support student enrollment, retention and success
 - Maintain the highest quality of instruction and services
 - Meet the legal, contractual and accreditation obligations of the College
1. The College shall balance its budget; ongoing expenses shall be supported by ongoing income. A general fund contingency of 5 percent shall be maintained. One-time funds shall not be used to fund programs or activities on an ongoing basis.
 2. The faculty, staff and administrators are one of Santa Barbara City College's greatest resources. Lay-offs of regular certificated and classified ~~staff employees~~ will be avoided if possible. In the event of funding shortfalls, positions that become vacant may not be filled, and reassignments may be necessary.
 3. In the event of one-time funding shortfalls or unanticipated expenses, reserves may be used to facilitate budget adjustments while expenses are reduced in the least disruptive manner. Use of reserves shall be short-term and reestablishment of the 5 percent contingency reserve shall be the highest priority.
 4. Cost effectiveness in all areas shall be a major factor in considering reduction/retention of programs and services rather than instituting across the board cuts.
 5. Employee compensation shall be among the highest priorities in making budget decisions. Funds shall be allocated in order to assure competitive salaries, benefits, and working conditions to recruit, retain, and motivate the best possible administrators, faculty and staff.
 6. The College shall adhere to the principles of shared governance while engaging in institutional planning and budget development.
 7. Meeting the College's FTES (full-time equivalent student) cap in a cost-effective and strategic manner shall be a priority.
 8. The College shall budget revenue based on the District's enrollment projections for FTES. ~~from enrollment when it is received.~~ Similarly, for non-apportionment income (e.g., out-of-state fees, international student fees, interest income, lottery), an estimate shall be made utilizing trends in order to establish revenue projections.
 9. Fixed and mandated costs (e.g., utilities, liability and property insurance, salary steps, and reserve requirements) shall be projected annually, and allocations will be made to meet these expenses.
 10. Growth funds shall be allocated only after receipt and shall be used first to fund growth-related expenses. Remaining growth funds shall be allocated ~~according to budget principles~~ to support institutional priorities determined through collegial consultation.

11. The District's capital equipment shall be provided, maintained and replaced in a systematic manner. Determining the need for transfers from the General Fund to the Equipment Fund shall be part of the ongoing fiscal planning and budget process.
12. Buildings and grounds shall be developed and maintained to meet student and programmatic needs through General Fund transfers to the Construction Fund. Determining the need for transfers from the General Fund to Construction Fund shall be part of the ongoing fiscal planning and budget process.
- 13. **Reinstatement of General Fund budget reductions resulting from funding shortfalls and/or increased infrastructure costs shall receive highest priority when new funds are available. These reinstatements shall be given first consideration prior to any new funding allocations.**

Note: The language for Budget Principle 13 recommended by the Superintendent/President and endorsed by members of EC differs from the following statement that was recommended by CPC.

13. The District is committed to fully restoring budget reductions. Beginning with the budget year 2008/09, the District shall first reinstate the reductions prior to allocating revenues to new positions or expense on a dollar for dollar basis. Restorations will begin when budgeted revenue exceeds budgeted expense and/or ending balances exceed the budgeted increase in expenses and shall be distributed in proportion to the actual reductions across the President's Office and each vice president's budget area.