

AGENDA ITEM 10a

Budget 2014 Adjustment Updates

In the last meeting of the BOR, the college Administration was tasked to review the shortfall of revenue for Fall 2013, Spring 2014, and Summer 2014 for the college and make recommendation to the Board in its December 2013 meeting. The college experienced a decrease in FTE at the conclusion of registration in Fall 2013 from 32,350 credits to 27,973 credits. The number of new students also went down from the usual 700 new students to 400 in Fall 2013. This has a major affect on the projected revenue of the college.

The total amount of shortfall for revenue for this Fall Semester 2013 is \$91,129. Enrollment trends during the past years were usually lower in the Spring Semesters compared to the Fall Semesters. We are anticipating a decrease in FTE and student enrollment for Spring and Summer by nearly \$500,000 dollars system wide.

Total amount to be adjusted: **\$591,129**

How to achieve a balanced budget for 2014:

The college implemented a freeze on hiring for new and vacant position beginning in October 2013. The total budget of new and vacant position in the 2014 budget college wide is nearly **\$685,993** including benefits and housing. The Comptroller recommended that the college keep the freeze in place until after registration in Spring Semester 2014 for us to determine if the college needs to make further adjustment to the budget.

In that regard, and after sharing this with the Executive Committee of the college, we would like to recommend that we continue to keep the hiring freeze in place until Spring 2014. By that time, the college will be in a good position to decide what it will do next.

The Office of the Vice President of Administrative Services along with the Comptroller will initiate steps to ensure the college will not experience a budget deficit at the end of the fiscal year.