Honorable Board of Trustees of the
San Francisco Community College District

Subject: Resolution No. 960627-B14
Adoption of Tentative Budgets for the San Francisco
Community College District for the Fiscal Year 1996-97

President and Members:

The San Francisco Community College District must enact a formal
resolution adopting tentative budgets for the General Fund (Unrestricted and Restricted),
Cafeteria Fund, Capital Outlay Projects Fund, the Child Development Fund, and Financial
Aid to allow expenditures to continue after July 1, 1996, the start of the new fiscal year. The
resolution will allow the District to establish expenditure appropriation accounts so that obligations may be incurred and salaries paid during the period between July 1, 1996 and the date the final budget is adopted.

Upon receiving the approval of the Board of Trustees, the tentative budgets
will be entered into the accounting records of the San Francisco Community College
District. When the Board of Trustees adopts the final budget for fiscal year 1996-97, the
accounting records will be adjusted accordingly.

Projected expenditures in the 1996-97 Tentative Budget are established on
the Modified Budget (Rollover Budget) as established in March/April 1996. Estimated
increases for salary increments and rate changes have also been included, and will be
refined when the final budget is proposed. Total expenditures in the Tentative Budget for
the General Fund, Unrestricted amount to $114,000,000. This figure is approximately
$3,112,016 below the Gann Limit for the upcoming fiscal year.

The 1996-97 Tentative Budget for the General Fund-Restricted is:

Federal Source $2,909,658
State Source 3,111,837
Fees and Services 1,324,125
Contract Education 270,539
Transfer In (CWS Match) 137,034

$7,753,193
1996-97 Tentative Financial Aid Budget

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal (Pell, SEOG, Perkins)</td>
<td>$4,974,586</td>
</tr>
<tr>
<td>State (Cal Grant)</td>
<td>363,270</td>
</tr>
<tr>
<td>Local (Transfer-In, Match)</td>
<td>78,163</td>
</tr>
</tbody>
</table>

The 1996-97 tentative budget for the Cafeteria Fund is $750,000, and is based on the 1995-96 adopted budget. The final budget will be adjusted to reflect the closing income statements and balance sheets for this fund as of June 30, 1996.

We have not yet been advised of the amount of funding for 1996-97 for the Child Development Fund, consequently the tentative Budget is based on anticipated awards. The Tentative Budget for the Child Development fund is:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Sources</td>
<td>$42,712</td>
</tr>
<tr>
<td>State Source</td>
<td>973,657</td>
</tr>
<tr>
<td>Total</td>
<td>$1,016,369</td>
</tr>
</tbody>
</table>

The following resolution is recommended for adoption:

RESOLVED:

Section 1 - In compliance with Section 42127 of the State Education Code, the tentative budgets for the San Francisco Community College District are adopted for Fiscal Year 1996-97 as detailed on Community College District forms and summarized by fund, purpose, and amount as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - Unrestricted</td>
<td>$114,000,000</td>
</tr>
<tr>
<td>Designated Reserve</td>
<td>4,000,000</td>
</tr>
<tr>
<td>General Fund - Restricted</td>
<td>7,753,193</td>
</tr>
<tr>
<td>Cafeteria Fund</td>
<td>750,000</td>
</tr>
<tr>
<td>Capital Outlay Projects Fund</td>
<td>566,000</td>
</tr>
<tr>
<td>Child Development Fund</td>
<td>1,016,369</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>5,416,019</td>
</tr>
</tbody>
</table>

Section 2 - Any action taken by the Board of Trustees at its meeting on June 27, 1996 that directly affects the Budget for 1996-97 shall be incorporated into the Tentative Budget for fiscal year 1996-97.

Section 3 - The Final Recommended Budget will be developed and
presented to the Board at the August meeting. The Final Recommended Budget will be developed by adjusting the Adopted 1995-96 Budget to include negotiated wage/salary settlements, contractual adjustments for services and facility leases, adjustments for leaves of absence, retirements, and additional funding for hourly faculty. This process will produce a “Rollover Budget” for 1996-97.

If the District’s 1996-97 revenues exceed the “Rollover Budget” the difference between the “Rollover Budget” and the total resources will be placed in an account labeled “General Fund - Unrestricted, Unallocated Budget funds”. Recommendations will be made to the Chancellor by the Budget and Planning Committee on the use of all “Unallocated Funds” after the start of the Fall 96 semester. The Unallocated Budget Funds will be considered for the use of the following:

* Additional Hourly Staffing to Achieve FTES Target
* Health/Safety Related Needs
* New Positions/Upgrades
* Priorities List Developed in 1995-96
* Program Review
* Deferred Maintenance
* Equipment Needs
* Extraordinary Items

If the District’s 1996-97 revenues are less than the “Rollover Budget” an unspecified reserve will be placed on expenditures for the difference between the “Rollover Budget” and the total resources. Recommendations will be made to the Chancellor by the Budget and Planning Committee to reduce expenditures to a level equal to the total resources.

Recommended for adoption:

Del M. Anderson
Chancellor

Originator: James Kendrix

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