Honorable Board of Trustees of the
San Francisco Community College Districts

Subject: Resolution No. 970522-B27
Adoption of Recommended 1997-98 Budget

President and Members:

The California Code of Regulations requires the governing board of each community college district to hold a public hearing on the proposed budget for the ensuing fiscal year on or before the 15th day of September. In addition, the proposed budget must be made available to the public for inspection at least three days before the hearing. Furthermore, the budget cannot be adopted by the governing board of the district until after the public hearing has been held.

The proposed budget was available for public inspection from May 19, 1997 through May 22, 1997 at the District Business Office located at 33 Gough Street, San Francisco, California.

The current calculated 1997-98 General Fund - Unrestricted Recommended Expenditure Budget totals $122,329,834 and exceeds the current General Fund - Unrestricted Revenue Budget of $116,903,262 by approximately $6,426,574.

A reserve against expenditures will be implemented in the amount of $6,426,574 to ensure that expenditures do not occur at a rate which would exceed the projected level of 1997-98 expenditures totaling $118,370,000.

Several actions to address this difference between projected revenues and planned expenditures will be presented to the Board for adoption in September 1997 during Fall 1997. Amendments will be made at that time to the recommended/adopted budget during Fall 97 to further adjust anticipated expenditures with to reflect revenues approved in the 1997-98 state budget and the District’s total projected resources.
The recommended budget for Fiscal Year 1997-98, as recommended by the Chancellor and submitted to the Board of Trustees for approval, is as follows:

<table>
<thead>
<tr>
<th>General Fund - Unrestricted Total</th>
<th>$115,500,000</th>
<th>$115,903,262</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add Beginning Balance</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Total Estimated Revenue</td>
<td>$116,500,000</td>
<td>$116,903,262</td>
</tr>
</tbody>
</table>

Estimated Appropriations $123,329,834
Less Unallocated Appropriations 4,959,834
Total Appropriations and Transfers for Capital Outlay $118,370,000 $116,903,262
*(includes a $566,000 transfer to the Capital Outlay Fund)

General Fund Balance - Unreserved Designated Special Reserve $3,150,000
Block Grant (one-time funds)

<table>
<thead>
<tr>
<th>General Fund - Restricted</th>
<th>$9,908,931</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cafeteria Fund</td>
<td>750,000</td>
</tr>
</tbody>
</table>

Child Development Fund: $1,088,853
State Sources $913,718
Federal Sources $175,135
Total $1,088,853

Capital Outlay Fund $566,000
Financial Aid: $7,004,744
State Sources $6,340,195
Federal Sources 404,000
Transfers-In 260,549
Total $7,004,744
The following resolution is recommended for adoption:

PART 1 - ADOPTION OF BUDGET

Section 1 - In accordance with Title 5, California Code of Regulations, Section 58196 the Board of Trustees of the San Francisco Community College district hereby adopts the Recommended Budget 1997-98 of the San Francisco Community College District, as detailed on Community College District forms and summarized by fund, purpose, and amount as follows:

General Fund - Unrestricted Total
Estimated Revenues $115,500,000 $115,903,262
Add Beginning Balance 1,000,000
Total Estimated Revenue $116,500,000 $116,903,262
and Beginning Balance

Estimated Appropriations $123,329,834 $123,329,836 *
Less Unallocated Appropriations 4,959,834 6,426,574
Total Appropriations and Transfers for Capital Outlay $118,370,000 $116,903,262

*(includes a $566,000 transfer to the Capital Outlay Fund)

General Fund Balance - Unreserved
Designated Special Reserve $3,150,000

Block Grant (one-time funds) $ 0

General Fund - Restricted $9,908,931
Cafeteria Fund 750,000

Child Development Fund: $1,088,853
State Sources $ 913,718
Federal Sources 175,135
Total $1,088,853
Capital Outlay Fund $ 566,000
Financial Aid: $7,004,744
State Sources $6,340,195
Federal Sources 404,000
Transfers-In 260,549
Total $7,004,744

Section 2 Any action taken by the Board of Trustees at its meeting of May 22, 1997 shall be incorporated in the Recommended Budget 1997-98 and a copy of the Recommended Budget 1997-98 with modifications shall be placed in the official files of the Board of Trustees.

Section 3 The estimated receipts, income and revenue enumerated in the Adopted Budget are hereby appropriated to the several funds and departments indicated in the Adopted Budget for the purpose of meeting expenditure appropriations provided in the Adopted Budget. These proposed expenditure are hereby appropriated to the funds and departments enumerated in the Adopted Budget. Each department for which an expenditure appropriation is made is hereby authorized to use, in the manner provided by law, the amounts so appropriated for the purpose specified in the Adopted Budget.

Section 4 The Chancellor and Chief Operating Officer are hereby authorized to convert the budget as adopted by the Board of Trustees on Community College District forms to the official State forms prescribed by the Chancellor, California Community College; to execute, process, and file all necessary documents required by the Education Code or the California Code of Regulations; to place a copy of all budget documents in the official files of the Board of Trustees; and due to the fact that certain entries on the State forms are abased on estimates, to use the latest available information when preparing all entries concerning the 1997-98 Expenditures, and 1997-98 Income sections of the budget. All entries concerning the 1997-98 Expenditures section shall be in accordance with the total proposed expenditures included in the Recommended Budget 1997-98 as listed above.

Section 5 The Chancellor and Chief Operating Officer are also authorized to convert the budget adopted by the Board of Trustee on Community College District forms to the forms and accounts required by the San Francisco Controller; to execute all necessary budgetary documents, including current and subsequent budget transfers as required by the San Francisco Controller, provided they are within the
purposes and amounts of the budgets adopted on Community College District forms.

Section 6 The Chancellor and Chief Operating Officer are hereby authorized to withhold filing the documents described in Sections 4 and 5 above until such time as they are legally required to be filed with the local and state agencies. If after this resolution is adopted revenues in excess of the amounts anticipated in the Adopted Budget become available, such excess revenues will be budgeted in unallocated appropriation.

PART 2 - ADMINISTRATIVE PROVISIONS

Section 1 Because total appropriations contained in the Recommended Budget are based on estimated revenues which may not be fully realized, it shall be incumbent upon the Chancellor and Chief Operating Officer to review revenue estimates each month. If such revenue estimates indicate a shortage, the Chancellor and Chief Operating Officer shall freeze an equivalent amount of expenditure appropriations. These frozen appropriations may only be released if subsequent estimates indicate that the collection of the amount originally estimated is assured.

Section 2 The Chancellor and Chief Operating Officer are hereby authorized to make any transfer necessary to correct erroneous account classifications or to effect any changes in accounts made necessary by changes in the method of expenditures within the purpose of the appropriation; such as when the Board of Trustees has authorized a lump sum appropriation for a program or a project and transfers to subsidiary appropriations are required by City and County or State budgetary practices. In contrast, transfers from the unallocated appropriations to any expenditure classification shall be made only by formal resolution approved by a two-thirds vote of the members of the Governing Board as provided for in Title 5, California Code of Regulations, Section 58199; in addition transfers between major budget classifications shall be made only by a formal resolution approved by a majority of the members of the Board of Trustees as provided for in Title 5, California Code of Regulations, Section 58199. Any other transfers between subordinate accounts within a single major classification may be made by the Chancellor and Chief Operating Officer.

Section 3 The Chancellor and Chief Operating Officer are hereby authorized; first, to expend from the available funds
budgeted for any approved position; second, to transfer subject to the provisions of Title 5, California Code of Regulations, Section 58199 and expend from the available funds budgeted for personal services; and third, to transfer subject to the provisions of Title 5, California Code of Education, Section 58199 and expend from any other available budgeted funds for lump sum payments to classified employees upon death or retirement for service or separation caused by industrial accident for accumulated sick leave benefits in accordance with Civil Service Commission Rules 22, Section 22.02.B9. Provided, however, that the position held by an employee who is entitled to such lump sum payment will not be filled with either a permanent or temporary replacement until such lump sum payment has been recovered from funds budgeted for personal services, and further provided that in the event that said position must be filled immediately it may be so filled on the recommendation of the Chancellor and approval by the Board of Trustees of a resolution providing funds for the purpose.

Section 4 That the San Francisco Community College District and the San Francisco Controller are hereby authorized and directed to continue the existing special and trust funds, reserves; and the receipts in each such fund are hereby appropriated in accordance with law and the conditions under which such fund was established. The San Francisco Community College District and the San Francisco Controller are hereby authorized and directed to set up additional special and trust funds and reserves as may be created by either additional requests or under other conditions and the receipts in each fund are hereby appropriated in accordance with law for the purposes and subject to the conditions under which each fund was established.

Section 5 That whenever the San Francisco Community College District shall receive for a special purpose from the United States of America, the State of California, or from any public or semi-public agency, or from any private person, firm or corporation any money or property to be converted into money, there shall be set up in the accounting records of the San Francisco Community College District, a special fund or account evidencing the amount received and specifying the special purposes for which it has been received and for which it is held. Such an account or fund shall be maintained as long as any portion of said money or property remains. Such receipts are hereby appropriated in accordance with law for the purpose and subject to the conditions under which each receipt was received.
Section 6  Permanent certificated and classified positions continued or created by the Board of Trustees in the Adopted Budget, may be increased, decreased, or reclassified only by approval of the Chancellor and Chief Operating Officer. Funds provided in approval of the Chancellor and Chief Operating Officer be used to provide for a temporary employment when it becomes necessary to replace a permanent occupant of a position while on extended leave without pay, or for the temporary filling of a vacancy in a permanent classified position. Funds provided in the Adopted Budget for permanent certificated positions may be with the approval of the Chancellor and Chief Operating Officer be transferred to other certificated positions.

Section 7  Surpluses existing in appropriations made for permanent positions in the Adopted Budget, may be transferred by the Chancellor and the Chief Operating Officer to the maximum extent feasible, into the Reserve for Contingencies or Unallocated Appropriations prior to June 1998.

Section 8  Money received as payment for damage to SFCCD automobiles or trucks, or other property, are hereby appropriated to pay the cost of repairing such equipment or property. Any excess funds, and any amount received for damaged equipment which is not be repaired shall be credited to Miscellaneous Revenues of the General Fund; provided that where the property is damaged during construction and such construction is funded from the Capital Outlay Projects Fund, the excess funds shall be credited to the specific construction project in the Capital Outlay Projects Fund.

PART 3 - GENERAL FUND - RESTRICTED

Section 1  The General Fund - Restricted portion of the SFCCD Budget contains appropriation of categorical funds from Disabled Students Programs and Services (DSPS), Matriculation, Adult Basic Education, Contract Education, Community Services, ESL - Processing Fees, International Institute, Parking Fee Fund, Grants Fiscal Services, Student Health Services, BFAP Program, and Extended Opportunity Program and Services (EOPS), Parts A & B. EOPS Part C is appropriated and expended in the Student Financial Aid Fund. Such appropriation shall be increased or decreased in accordance with the amount made available during the year 1997-98 by cash receipts or allocations from the State of California or by amounts carried over from the prior fiscal year. Within each categorical program, transfers from
unallocated amounts, transfers between accounts, and transfers between major classes are authorized to be made by the Chancellor and Chief Operating Officer to the extent permitted by the laws and regulations of the State of California.

PART 4 - CHILD DEVELOPMENT FUND

Section 1 The Child Development Fund portion of the SFCCD Budget contains appropriations of categorical funds from the Child care Food Program, the State Preschool Program, the Center-Public Child Development Program, Title IV-A “At Risk” Child Care and the Campus Child Care Bailout and Tracking. Such appropriations shall be increased or decreased in accordance with the amount made available during fiscal year 1997-98 by cash receipts or allocations from the State of California. Within each categorical program, transfers from unallocated amounts, transfers between accounts, and transfers between major classes are authorized to be made by the Chancellor and Chief Operating Office to the extent permitted by the laws and regulations of the State of California.

Recommended for adoption:

Del A. Anderson
Chancellor

Originated By:

James Kendrix