2014-15 First Quarter Update
De Anza Campus Budget Meeting
November 25, 2014

Because we are still early in the fiscal year since the Board approved the Adopted Budget in early September and the fall term is still in progress, very little has changed with our financial outlook from what was presented in the Adopted Budget.

But following are a few key points I would like to highlight:

1. We re-certified our 2013-14 320 Apportionment Attendance report in October. 87 FTES added for new total of 32,032 resident & non-resident. $407,000 additional apportionment added to 2014-15 base.

2. Non-resident enrollment estimates are on target and may exceed budgeted revenue by $1.5 million. Note additional associated expenses. Due to some growth and enrollment fee increase.

3. Productivity estimates remain constant to adopted budget. 530
   If productivity declines it will be offset by our $2M enrollment stimulus to assist our effort to maximize enrollments/FTES.

4. Certificated and classified salary expenses are right on target and we are estimating no changes necessary.

5. Also benefits, supplies, and all other operating expenses are on target.

6. We are still projecting an operating deficit at the end of 2014-15 of $2M that will be balanced/offset from the $16.7M Contingency Fund as presented in the Adopted Budget. This will increase contingent on the outcome of COLA/compensation negotiations with the bargaining units.

7. As of now we are projecting a $14.7M Contingency Fund, $2M Enrollment Stimulus, and $8.6M mandatory reserve at the end of the fiscal year.

8. Additionally, the colleges and central Services have approximately $14.5M in total carry-over balances.

9. For the second year in a row the economic picture for the state is relatively stable. And as of now, we do not anticipate any budget cuts to the system in the 15/16 FY and are hopeful for another modest COLA to be part of next years budget.
   But because we are still working with a $2M plus structural deficit, our strategy continues to protect as much of our fund balance as possible to help us "smooth out" the task of balancing our actual expenses to expected revenues.

10. 1% Deficit Factor still strongly recommended by state Chancellor's Office.