

**COMMUNITY COLLEGE
OF PHILADELPHIA**

**2012-2013
FISCAL YEAR BUDGET**

COMMUNITY COLLEGE OF PHILADELPHIA

2012-2013 FISCAL YEAR BUDGET

**APPROVED BY THE BUSINESS AFFAIRS COMMITTEE
MAY 23, 2012**

**PRESENTED TO THE BOARD OF TRUSTEES
JUNE 7, 2012**

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COMMUNITY COLLEGE OF PHILADELPHIA

2012-2013 BUDGET

PART I

THE FINANCIAL CONTEXT FOR THE 2012-13 BUDGET

Financial Context

The 2013 fiscal year, as was true for fiscal 2012, poses significant financial planning challenges for the College. Reasons for this include: declines in City and State funding; lack of resolution for employee contracts which expired as of August, 2011; and uncertainty about enrollments in the context of State-wide declines in community college enrollments, rising tuition and fees at CCP and at other regional four-year institutions, and reductions in Pell financial aid opportunities for many students enrolling at the College.

The development of the 2012-13 budget plan occurred in the most difficult funding circumstances that have faced the College since the mid-1990s. In the mid-1990s, poor economic conditions for the City and State resulted in flat funding from both sources for several years and required the use of College carry-over (reserve fund) balances in four successive years to achieve viable budget plans. Budget planning for the 2012-13 year has required the College to meet even greater challenges. In 2011-12, the State reduced the College's funding by \$3.12 million. State operating funding, under the Governor's proposed 2012-13 budget plan, will be \$1.16 million less than provided for the 2012 fiscal year. On a per-FTE-student funding basis, State support has fallen to the lowest level provided since the 1995-96 fiscal year. City funding, which was reduced by four percent (\$1.06 million) in mid-fall 2010, was unchanged for fiscal 2012 and is proposed by the Mayor to remain at this level for 2012-13. In combination, this means that the 2012-13 fiscal year budget is being prepared with \$5.25 million less in City and State dollars than was originally provided for in the 2010-11 fiscal year budget. Figure A reports the patterns of revenue received by the College over the past decade.

In addition to City and State funding, enrollment uncertainty is contributing to the more difficult financial planning environment for the College. The relative decline in City and State funding in importance, has made the College increasingly

dependent upon enrollment generated revenues. Enrollment levels and associated revenues are greatly influenced by both the local economy and State and federal financial aid policies. As discussed below, the enrollment growth which infused significant new dollars into the College budget for the 2009, 2010, and 2011 fiscal years did not occur in the 2012 fiscal year and cannot be assumed for the 2012-13 year.

FIGURE A
Percentages of Operating Revenues Coming from City, State,
Student and Other Sources
2003-2012 Fiscal Years

Fiscal	City	State	Student	Other	Total
2002-03	22.0%	33.3%	41.7%	3.0%	100.0%
2003-04	20.0%	31.4%	46.0%	2.6%	100.0%
2004-05	19.6%	29.3%	48.3%	2.8%	100.0%
2005-06	19.5%	30.7%	46.4%	3.5%	100.0%
2006-07	19.1%	29.9%	47.5%	3.5%	100.0%
2007-08	18.3%	29.3%	50.4%	2.9%	100.0%
2008-09	17.8%	28.8%	51.4%	2.0%	100.0%
2009-10	16.1%	26.6%	55.0%	2.3%	100.0%
2010-11	14.9%	25.7%	57.3%	2.0%	100.0%
2011-12*	14.8%	23.2%	59.2%	2.8%**	100.0%

* Estimated as of May 1, 2012

**Includes use of College carry-over funds in the amount of \$1,998,366.

After relatively stable enrollments for several years, credit enrollments increased significantly in the 2009-10 year. Credit enrollments (15,809) for the 2009-10 year were 11.3 percent or 1,061 FTEs higher than they were in 2008-09. Credit enrollments for 2010-11 increased by 281 FTEs or 1.8 percent. Flat enrollments were budgeted for 2011-12. In actuality, a small decline in credit enrollments is now projected for 2011-12. Figure B shows the history of credit FTE enrollments over the last decade.

**FIGURE B
HISTORY OF CREDIT ENROLLMENTS
OVER THE LAST DECADE
2003-2013 FISCAL YEARS**

<u>Fiscal Year</u>	<u>Annual Credit FTE</u>
2002-03	14,968
2003-04	15,657
2004-05	15,291
2005-06	13,591
2006-07	13,570
2007-08	13,942
2008-09	14,208
2009-10	15,809
2010-11	16,088
2011-12 ¹	15,862
2012-13 ²	15,450

1) Projected as of May, 2012

2) 2012-13 Budgeted FTEs

Several factors have contributed to the 2011-12 decline. After several years of significant increases, the maximum Pell award remained unchanged in fiscal 2012. However, the opportunity for a second Pell award in the summer was eliminated. Increases in tuition and fees reduced aid balances available to students to support living costs. In addition, the lingering economic recession impacted on some students' ability to pay for higher education and may have discouraged others with respect to the benefits of higher education. These issues will carry over into the 2012-13 fiscal year. The Pell maximum is again expected to remain unchanged. More importantly, new student progress requirements will make it harder for some students to retain eligibility and more students will qualify for less or no aid. Community college enrollments around the Commonwealth generally have declined more than CCP's during the 2011-12 year. It is now clear the several years' surges in Pennsylvania community college student enrollments peaked in the 2009-10 year and enrollments, at present, are stable or declining throughout the State.

Partially offsetting these potentially dampening forces on enrollments will be the College's continuing improvements in student retention which have contributed to larger continuing student enrollments in the last several years; and the significant increase of tuition and fees anticipated at other local colleges and universities. The latter may encourage growing numbers of individuals to start their education at CCP. In addition, the expanded Northeast Regional Center was in full operation for the 2011-12 year with a significant increase in enrollments. The expanded Center offers a wider range of course offerings and has more classes at preferred student attendance times. The recent expansion and improvements at the West Regional Center are also anticipated to have a positive impact on enrollments.

The 2012-13 budget is based upon the assumption that enrollments will be 4 percent or 640 FTEs lower than originally budgeted for 2011-12. This represents a 412 FTE or 2.6 percent decline from the currently projected credit FTE enrollment of 15,862 for the 2011-12 year. Based upon this enrollment projection and the projected levels of City and State funding described above, the budget process began with a gap between revenues and expenses of \$8.3 million. The proposed budget addresses this gap with a combination of new revenues, expense reductions and use of carry-over funds. Parts IV and V of the budget explain the recommended revenue and expense strategies that will be used to address the initial gap that existed between projected revenues and expenses.

PART II

ORGANIZATION CONTEXT – MISSION, VISION AND STRATEGIC PRIORITIES FOR THE 2012-13 YEAR

The College's Mission and current Vision Statements are provided below. As part of the development of the 2004-08 Strategic Plan, a new Vision Statement was developed for the College. Together, the College Mission and Vision Statements provide the framework for institutional planning.

MISSION STATEMENT

Community College of Philadelphia is an open-admission, associate degree-granting institution which provides access to higher education for all who may benefit. Its programs of study in the liberal arts and sciences, career technologies, and basic academic skills provide a coherent foundation for college transfer, employment, and life-long learning. The College serves Philadelphia by preparing its students to be informed and concerned citizens, active participants in the cultural life of the city, and enabled to meet the changing needs of business, industry and the professions. To help address broad economic, cultural and political concerns in the city and beyond, the College draws together students from a wide range of ages and backgrounds and seeks to provide the programs and support they need to achieve their goals.

Community College of Philadelphia seeks to create a caring environment which is intellectually and culturally dynamic and encourages all students to achieve:

- greater insight into their strengths, needs, and aspirations, and greater appreciation of their own cultural background and experience;
- increased awareness and appreciation of a diverse world where all are interdependent;
- heightened curiosity and active interest in intellectual questions and social issues;
- improved ability to pursue paths of inquiry, to interpret and evaluate what is discovered, and to express reactions effectively; and
- self-fulfillment based on service to others, preparation for future work and study, and enjoyment of present challenges and accomplishments.

VISION STATEMENT

To serve Philadelphia as a premier learning institution where student success exemplifies the strength of a diverse, urban community college.

VISION IDEALS

- A college environment that values and supports a culturally diverse and intellectually dynamic community and prepares students for global citizenship.
- Respected liberal arts and transfer programs that facilitate student preparation for the baccalaureate experience.
- Superior career programs that prepare students to meet current and evolving labor market needs.
- Innovative developmental and literacy programs that prepare students for more advanced educational and training opportunities.
- Agile programs that meet the needs of employers and emergent workforce development initiatives.
- Responsive continuing adult and community education programs that enhance and encourage individual growth and development.
- An engaged and excellent faculty, staff and administration that enable students to meet their full potential.
- A teaching and learning environment that exemplifies ongoing and productive communication and collaboration across the institution.
- Strong and mutually beneficial partnerships with public and parochial schools, community organizations and governmental agencies that model effective community-based educational programs.
- State-of-the-art technology employed to enhance teaching and learning.
- Accessible and affordable education designed to optimize opportunities for student participation.
- A supportive learning community that uses learning outcomes to measure success and guide innovative curricular and program improvements to meet individual and group needs.

The 2012-13 budget plan reflects a significant commitment to advancing the goals contained within the College's Strategic and Operational Plans. The following priorities were used to shape the 2012-13 budget planning process.

**STRATEGIC PRIORITIES TO BE USED
FOR THE DEVELOPMENT OF THE 2012-13 BUDGET**

I. Quality and Accountability

A. Student Success and Completion

1. Increase students' credential completion and successful transitions to next career and educational goals.
2. Maintain the Achieving the Dream student success agenda. Improve student outcomes (persistence, retention, achievement of academic success benchmarks, degrees awarded) for all student groups.
3. Restructure approaches to developmental education which: (1) increase the numbers of students who eventually succeed in College-level coursework; (2) reduce the required time that students spend in developmental education; and (3) minimize the possibility that time and lack of success in developmental education will eliminate future financial aid eligibility.

B. Institutional Effectiveness Assessment

1. Continue implementation of a student learning outcomes assessment effort that fully complies with MSA standards.
2. Expand upon current institutional assessment efforts in a manner that ensures college-wide commitment to the effective use of assessment data, and that all areas of the College have assembled and utilized meaningful assessment data to support resource allocation decisions.

II. Enrollment Management

A. Program and Service Improvement, Alignment and Expansion

1. Realign current academic programs and enrollment services to reflect current and future needs in the communities served by the College.
2. Redeploy resources to better needs and expectations of current and future students both to facilitate achievement of enrollment goals and to eliminate potential barriers to student access.

B. Public Image/Marketing

1. Enhance efforts to improve College image among key stakeholders.
 - a. Continue to expand mission-based partnerships with the goals of creating a greater understanding and support for the College, strengthening institutional effectiveness and/or achieving operational efficiencies and new revenue opportunities.
 - b. Create positioning and visibility for the College that: strengthens perceptions on excellence; provides a foundation for future outreach and collaboration; and establishes an image that enhances the potential for revenue plan goals.
 - c. Maintain and enhance efforts to develop governmental leaders' understanding and support for the College.
2. Expand targeted marketing and outreach efforts to attract a broader range of students.

III. Restructuring for the Future

A. Institutional Financial Viability

1. Maintain multi-year enrollment and revenue planning that effectively responds to the reality of the declining relative importance public revenues for the College and the growing College dependence on tuition, fees and private funding sources.
2. Develop expanded and targeted private support for the College which will help to offset the impact of diminishing State and local funding.
3. Assess and restructure, where appropriate, the current use of College resources with goals of optimizing both operational efficiency and student outcomes.

B. Campus Infrastructure, Organization Structure, and Staff Resource Development

1. Continue efforts to develop a more focused vision of how the College will be required to change to maintain its effectiveness over the next decade (programs, services, facilities, delivery modes, etc.) Examples of initiatives include:
 - a. Continue efforts to develop a new Facility Master Plan to replace the current 2003 Plan.

- b. Determine the instructional resources which faculty will require to teach effectively in the future. For example, creating an instructional environment within which all faculty have consistent access to flexible technology-rich classrooms, and ensuring that all faculty members have full access to a common course management system.
 - c. Continue to strengthen IT infrastructure to achieve enrollment goals and enhance College-wide programs and services.
2. Develop and maintain a fully qualified faculty and staff cohort with the essential skills and commitments to maximize the long-term effectiveness of the College.

2012-13 DIVISIONAL OBJECTIVES

Each Division of the College developed objectives for the 2012-13 year in support of the 2012-13 strategic budget priorities. In most cases, these objectives require a commitment of existing staff and current institutional resources to support the achievement of the objectives. In order to achieve some objectives, existing budget resources will be reallocated. Cost center budgets reflect the reallocation of resources needed to support accomplishment of the objective.

In the following section, the 2012-13 divisional objectives are presented for each of the strategic budget priorities. The Division advancing the objective is shown in parenthesis at the end of each objective. Some objectives will support the achievement of more than one strategic priority. However, the objective is reported for only one strategic priority, the one where it is expected that the greatest contribution will occur.

I. Quality and Accountability

A. Student Success and Completion

Continue and expand Achieving the Dream (ATD) success agenda to have a positive impact on student completion. (Academic Affairs and Student Affairs)

Increase the success rate of students entering the College through ABE and other adult and continuing education programs; and increase the number of students in literacy programs who enroll in subsequent educational programs at the College. (Academic Affairs)

Decrease the number of CCP students required to enter the College at developmental levels; and if students are in developmental education, decrease the time which students spend at this level. (Academic Affairs)

Provide an enhanced array of support services to increase student success, particularly at the developmental level. Enhanced services will include group tutoring, supplemental instruction, tutor training, and on-line tutoring. (Academic Affairs)

Improve student success and degree completion by implementing a process whereby students who have completed a degree may enroll in a new degree program with new academic history and GPA. (Student Affairs)

Increase the number of College Success Seminar (COL 101) classes in an effort to develop more prepared and informed incoming students providing them with strategies and resources to achieve academic success. (Student Affairs)

Develop and implement a zero-credit student internship program to allow students the opportunity to experience real work experience in a field related to their major and empower them to be serious job seekers upon graduation. (Student Affairs)

Implement a First Year Experience program to provide incoming students with intentional and cohesive programs and services that promote personal and professional development leading to academic success. (Student Affairs)

Strengthen current processes to improve the students' understanding of their degree completion status through the implementation of Degreeworks. Provide a comprehensive set of web-based academic advising, degree audit, and transfer articulation tools to help students, faculty, and advisors negotiate curriculum requirements and facilitate student progress toward degree completion. (Information Technology Services, Student Affairs, Academic Affairs)

Enhance efforts to increase the number of students taking advantage of credit by exam (CBE) and receiving credit for prior learning assessment (PLA). (Academic Affairs)

B. Institutional Effectiveness Assessment

Complete year 2 of Self Study process in anticipation of the MSCHE reaccreditation visit in Spring 2014. (Academic Affairs)

Continue to implement assessment of student learning outcomes at the College level (i.e., general education/core competencies); program level (e.g., program audits, QVI (Quality/Viability Indicators), program SLOs); and course level (e.g., Chapter 335 documentation, department course SLOs). (Academic Affairs)

Develop and articulate an approach to assessment that fits the mission, goals and cultures of the units within the Student Affairs Division to enhance the student experience at the College. (Student Affairs)

Coordinate the ongoing administrative unit audit (assessment) process. (Human Resources)

Maintain an annual research agenda which develops essential information needed to support achievement of the College's strategic priorities. [This objective supplements the assessment objective related to the development and maintenance of ongoing assessment information/reports.] (Finance and Planning)

Complete national, regional and State data reporting and consortial research requirements in a timely and accurate manner. (Finance and Planning)

Assess where CCP is with respect to College-wide outcomes assessment efforts; identify current assessment gaps; facilitate efforts to close gaps; and provide greater access to assessment information that is presently unavailable institution-wide. (Finance and Planning)

Support the College's re-accreditation Self Study process for the Middle States Commission on Higher Education (MSCHE). Focused support will be provided through participation as a self-study, work group co-chair for Middle States Standards 2, 3, & 7. (Finance and Planning)

Support the College's re-accreditation Self Study process for the Middle States Commission on Higher Education (MSCHE). A broader level of ad hoc support will also be provided to the Middle States Steering Committee as required as well as the Middle States Work Groups as their research agendas are established and the data collection period begins. (Finance and Planning)

Support a culture of assessment at the College through the development and maintenance of ongoing databases and reports that support the assessment of institutional effectiveness, strategic initiatives and Mission goals. (Finance and Planning)

Ensure compliance with Federal and State EEO/AA requirements through annual update of Affirmative Action Plan, analysis of applicant flow data, and analysis of employment transaction data. (Diversity and Equity)

II. Enrollment Management

C. Program and Service Improvement, Alignment and Expansion

Continue efforts to deploy Smart Technology in all instructional areas of the College. At least ten general-purpose classrooms will be modified to incorporate smart technology. (Academic Affairs)

Develop Biomedical Equipment Technician Proficiency Certificates to be first offered in the 2013-14 academic year. (Academic Affairs)

Expand partnership initiatives with School District of Philadelphia and with other school systems. (Academic Affairs)

Support curricular innovation through the introduction of student research experiences in the Psychology curriculum and extensive student practice hours and observation in the Education curriculum. (Academic Affairs)

Develop a Health Science Degree Program to be offered in the 2013-14 academic year. (Academic Affairs)

Complete the implementation of the Occupational Therapy Assistant Program leading to the enrollment of the first class in the fall of 2013. (Academic Affairs)

Implement the Physical Therapy Assistant Program leading to the enrollment of the first class in the fall, 2013 term. (Academic Affairs)

Facilitate the development of the 2013-17 Enrollment Management Plan. (Student Affairs)

Fully implement an integrated services model with the end result of providing comprehensive, efficient and effective services in one location that will lead to greater student success. (Student Affairs)

Improve student services and increase applicant yield rate to enrolled by redesigning the online admissions application. (Student Affairs)

Improve student services by reducing obstacles in the admissions process for new students by tracking phone call trends using call distribution system software Nortell to record reason for calls. (Student Affairs)

Offer daily financial planning and FAFSA workshops at a fixed location on a walk-in basis to provide maximum availability to the community we serve. (Student Affairs)

Reduce the cost of transcript processing, improve student satisfaction, improve student service, and better utilize resources by implementing Avow electronic transcript ordering, processing, and delivery system. (Student Affairs)

Improve student services, better utilize resources, and maintain compliance with VA guidelines by implementing a Veteran and Military Student management system. (Student Affairs)

Create additional online web services for students using Electronic Forms (e-forms) and OnBase/Workflows. Request forms include Excused Withdrawals, Tuition Refund/Letter of Credit, Record Challenges, and Veteran Certifications. (Student Affairs)

Establish a Behavioral Intervention Team to provide the College with a mechanism for addressing students with reported behaviors that are concerning. (Student Affairs)

Develop and implement a Service Learning Program to include an alternative spring break experience to prepare students to be informed and concerned citizens and active participants in the cultural life of the city, and enabled to meet the changing needs of business, industry and the professions. (Student Affairs)

Initiate and implement sexual harassment and violence training for members of the campus Sexual Violence Awareness Committee and the greater College community. (Student Affairs)

Implement a directory information verification solution, Clean Address, for address, name, telephone and email for all constituents within Community College of Philadelphia ERP system. (Information Technology Services)

Build new academic affairs diversity initiatives through collaborations with the Teaching Center and engaging faculty to develop further strategies to infuse diversity content into courses. (Diversity and Equity)

D. Public Image/Marketing

Improve quality of admissions website and webinars by working with Multi-media Services and Marketing to create quality videos for webinars, online access and presentations. (Student Affairs)

Improve marketing and communication of programs and services offered to students through update and enhancement of student portal pages. (Student Affairs)

Implement second phase of the website redesign. This phase will include the site build and the launch of new website. (Marketing and Government Relations)

III. Restructuring for the Future

A. Institutional Financial Viability

Create additional tuition revenue by increasing international student recruitment efforts which will result in more international student FTEs. (Student Affairs)

Eliminate paper bookstore credit authorization forms and expedite available bookstore credits for students, therefore improving student experience. (Student Affairs)

Evaluate the effectiveness of changes made in the annual operational planning and budget cycle for the 2012-13 fiscal year. (Finance and Planning)

Strengthen current methodologies to understand factors contributing to changes in critical institutional financial parameters, e.g., weekly/monthly cash position, sources of tuition and fee payments, accounts receivable, major expense categories, etc. as a basis for improved financial planning, budgeting and resource allocations decisions. (Finance and Planning)

Continue to improve Auxiliary Service areas of Bookstore, Food Service and Parking with respect to customer services and financial performance. Improved reporting of financial results to President's Cabinet. Ensure that College's business partners support the College's green initiatives. (Finance and Planning)

Enhance budget monitoring and multi-year financial planning. (Finance and Planning)

Refresh Business Services equipment with the planned replacement of digital press and office suite multi-function units. Offer, at a competitive pricing, duplicating and finishing services to students via the College's one-card program. (Finance and Planning)

Continue enhancements to the Colonial one-card program and conduct full-year marketing effort. Planned new functionality for the 2012-13 academic year including college parking, vending and open access copiers. (Finance and Planning)

Complete and update College-wide physical asset inventory. (Finance and Planning)

Improve efficiency and reduce costs of check processing by implementing Remote Deposit Capture functionality in the Bursar Office. (Finance and Planning)

Reduce financial impact of lost revenues resulting from student payment of bills by credit card and increase volume of student payments made via ACH transaction. (Finance and Planning)

Implement the New Summer Payment Plan for Summer 2012 to facilitate summer enrollments and help offset the impact of the elimination of a second Pell award for summer enrollment. (Finance and Planning)

Automate the Tuition Payment Plan application process in order to facilitate the student application process and reduce staff time required to manage the plan. (Finance and Planning)

Continue lobbying of City, State and Federal Government to increase financial support at the City and State levels and increase understanding about Pell and other legislation that effects our students on the federal level. (Marketing and Government Relations)

Complete negotiations with the Faculty & Staff Federation and implement provisions of the new collective bargaining agreement. (Human Resources)

Improve and enhance fundraising communications. (Institutional Advancement)

Enhance donor recognition and create branding for giving societies. (Institutional Advancement)

Increase number of donors, potential donors and volunteer leaders supporting the College through cultivation activities. (Institutional Advancement)

C. Campus Infrastructure, Organization Structure, and Staff Resource Development

Select and begin implementation of an engaging, dynamic online platform for distance education to continue to grow distance learning opportunities and for use in face-to-face courses to provide anytime, anywhere access. (Academic Affairs)

Increase the skills and competencies of employees in the Division of Business and Technology by training and certifying staff to administer professional skills assessment instruments and developing a student-centered culture. (Academic Affairs)

Support planning for the completion of the West Building renovations included in the Main Campus Construction Project. (Academic Affairs)

Improve integrity of data in Banner and reduce application process time and efficiency by purchasing address cleansing software. (Student Affairs)

Implement the recommendations of the Athletics Administrative Audit and realign intercollegiate athletics to transition to the National Junior College Athletic Association. (Student Affairs)

Establish and enact a campus life facilities plan for the Winnet Student Life Building that takes a holistic approach toward student development incorporating general student needs, student clubs and organizations, and campus life staff to promote academic achievement while allowing students to explore and participate in out-of-class experiences. (Student Affairs)

Initiate the second phase of the current Facility Master Planning process leading to a new Master Plan covering the 2013-2023 time period. (Finance and Planning)

Design, develop and buildout central divisional office suite and seminar spaces for Science, Math & Health. (Finance and Planning)

Continue to develop comprehensive integrated Master Landscape Plan for main campus coordinated with sustainability strategies, learning environments and Public Art. Implement partial plan with current construction effort as construction funds permit. (Finance and Planning)

Preserve campus infrastructure by developing plans and specifications for the repair of exterior walls and capping on west side of Main Campus. (Finance and Planning)

Support the College's commitment to sustainable building operations by expanding and deploying a viable recycling program. (Finance and Planning)

Review Purchasing Department and College Policies related to procurement with the intent to increase efficiencies and maximize potential for utilizing minority, woman, disabled and disadvantaged businesses as well as Philadelphia-based businesses. (Finance and Planning)

Preserve permanent records by converting microfilm and microfiche documents to digital files. (Student Affairs)

Optimize operational efficiencies by implementing new integrated document management system, Banner Document Management System (BDMS). (Information Technology Services)

Implement additional technology solutions that maximize the effectiveness of the campus network infrastructure by minimizing service disruptions, expanding access to Cloud applications, and further ensuring that network connectivity is not lost in the event of catastrophic failure at one connective point. (Information Technology Services)

Develop a College staff succession plan and establish administrative staff career ladder approaches. (Human Resources)

Assess current faculty recruitment approaches and implement new recruitment strategies to help ensure institutional effectiveness as larger numbers of senior faculty retire in the future. (Human Resources)

Continue efforts to strengthen and expand the usage of Banner Human Resource Systems. Areas to be enhanced include: Faculty Step Form, Faculty Load Process, and electronic benefits enrollment process. (Human Resources)

Strengthen employee recruitment and hiring procedures by upgrading PeopleAdmin Applicant System. (Human Resources)

Continue efforts to enhance diversity through improved recruitment strategies including strengthening Minority Fellowship Program, increased engagement of faculty in recruitment and identification of new recruitment strategies. (Diversity and Equity)

Continue to cultivate campus-wide diversity awareness and appreciation. This will include: expanded on-line diversity training, increased professional development offerings and increased participation. (Diversity and Equity)

PART III

EXPLANATION OF BUDGET TERMINOLOGY

The definitions of several terms that are used throughout the budget tables are provided below:

Current Operating Revenue and Expenses - Refers to all operating revenues and expenses associated with the delivery and administration of instructional programs including revenues and expenditures associated with the rental of property and equipment. Library book and audio visual software expenditures are included in the "current operating expense" category.

Educational and General Revenues - Includes all current operating revenues plus revenues from student fees and other non-tuition charges to students. Excluded are revenues from auxiliary enterprises.

Educational and General Expenses - Includes all current operating expenses plus costs associated with student activities, college-based financial aid, and commencement. Excluded are expenses associated with auxiliary enterprises.

Capital Expenditures - Includes the purchase of equipment, furniture, and computer software with a value greater than \$500 and debt-service payments. While space rental and leased equipment expenditures are funded as capital by the State, these items are included in the current operating portion of the budget.

Lapsed-Budget Dollars – Refer to dollars originally budgeted for full-time salary and fringe benefit expenses which are not spent because a position is temporarily or permanently vacant, or because a position is filled at a salary amount less than was originally budgeted. Because some temporary vacancies of positions are inevitable in every fiscal year, a projected value for lapsed-budget dollars is always included in the College's budget plan.

Actual 2010-11 - Final 2010-11 operating expenses and revenues based upon the audited financial statements prepared by KPMG. These totals include budgeted operating expenditures which were funded by Federal Vocational-Education funds.

Approved 2011-12 Budget – Expenses and revenues in the 2010-11 budget adopted by the Board on June 2, 2011.

Revised 2011-12 Budget - Changes include: revisions to instructional dollars based upon deviations from budgeted enrollments; the reallocation of unused full-time salary dollars to the lapsed-budget accounts; improved information on actual costs of mandatory expenses such as fringe benefits and insurance which became available after the 2011-12 budget was prepared; and other inter-expense-code adjustments made by cost center managers. Revised 2011-12 operating expenditures are projected to be \$1,793,967 less than the approved 2011-12 budget.

PART IV

EXPENDITURE BUDGET

Major Factors Contributing to Changes in 2012-2013 Expense Budget

The 2012-13 current operating expense budget totals \$124,536,468, or \$2,311,082 more than the projected final expenditures for 2011-12. At the time the budget was prepared, negotiations with faculty and staff with respect to their labor contracts had not been concluded. Salaries and healthcare benefits expenses for current employees are budgeted at the level of the best and final offer made to the employee groups in February 2012. The 2012-13 budget retains the tight constraints on non-salary expenditures that have been put in place for the last two years. The number of full-time administrative and classified positions has been reduced. The number of budgeted full-time faculty complies with contractual requirements.

The following principles, which were first developed for the 2009-10 operating budget plan, were followed in developing the 2012-13 budget plan:

1. There will be no compromises in academic quality and efforts to meet current goals with respect to improved graduation, retention and academic performance rates.
2. Vacant staff positions that are essential to advancing the College's most important strategic priorities will be filled.
3. The impact on students through higher tuition and fees will be limited to the extent possible. Students will not be asked to bear the full impact of expense increases.
4. The College's institutional plans (Strategic, Academic, Enrollment Management, Technology, Marketing, Diversity and Facility) will be used as a guide in decision making with respect to the allocation of available resources.
5. The College will continue to pursue innovative strategies and implement initiatives essential to ensuring the College's academic and financial viability.

6. Net-revenue producing enrollment growth that does not impair the quality of current instructional programs will be actively pursued and supported.
7. With respect to College operations, there will be an emphasis on 'green' decision making, both as a viable strategy to reduce future operating costs and to emphasize the College's strong commitment to sustainable design and operations as evidenced in the designs of the Main Campus and NERC expansion and renewal projects.
8. Ongoing opportunities will be provided for members of the College community to learn about the College's current financial challenges and to suggest strategies both with respect to expenditure management and revenue enhancement.

2012-13 Cost Containment Efforts

The initial gap between base-budget expenditure requirements and projected revenues has required that a significant number of cost containment strategies to be implemented in the 2012-13 budget plan. The following is an outline of the representative steps that are being taken:

- Most vacant administrative and classified/confidential positions were frozen.
- Except for CBI, Main Campus buildings will be closed on Friday evenings and Saturdays as of the fall, 2012 term.
- All use of College space by outside groups that is not mission critical will be eliminated.
- City dollars used for capital expenditures will be restricted to \$680,000. Non-resident student capital fees and grants will support additional capital expenditures.
- Administrative and student-support service levels will be reduced at low-demand times.
- Non-contractually-mandated extended and released time will be reduced.
- Special College events will be reduced in number and scale.
- The use of temporary agencies workers to fill short-term position and overtime work by hourly staff will be reduced.

- Non-essential hospitality and travel expense will be eliminated.
- E-publishing, rather than hard-copy printing, will be used whenever feasible.
- Electronic mail strategies will be used in place of hard-copy mailing wherever practical.

Overview of 2012-2013 Expenditure Plan

The majority of the objectives outlined in Part II to address the achievement of the College's 2012-13 budget priorities will be achieved through a commitment of existing resources to the priority initiatives. However, several initiatives will require a reallocation of available resources. Key examples include:

- Implementation of a new Learning Management System for use in both distance learning and traditionally-taught classes.
- Continued development of the College's next Facility Master Plan covering the time period 2013-2023.
- Based upon the results of efforts in the 2011-12 year to develop a planned structure for the College's redesigned homepage, undertaking the next phase of the design and implementation of the new homepage.
- Strengthening efforts to recruit international students.
- Enhancement of institutional capacity for private fundraising through new communication approaches and improved donor recognition strategies.
- Continuation of the Achieving the Dream initiatives supporting student persistence and academic success.
- Improved enrollment management through implementation of an enhanced document imaging system and digitation of records currently in microfilm and microfiche format.

- Implementation of a student progress tracking system (DegreeWorks) which will enhance student advising and course planning and assist with the goal of increasing graduates.

Salaries and Wages

The salary budget adjusted for projected lapsed salary dollars is \$72,930,115, a decrease of \$197,394 or .3 percent over the revised 2011-12 budget. The salary budget includes the impact of the best and final offer made by the administration as part of the current collective bargaining process. The number of positions in the 2011-12 operating budget and the planned 2012-13 operating budgets are shown below. Frozen positions are positions that were vacant at the time the budget was prepared, and are not budgeted to be filled in 2012-13.

Faculty Positions

Budgeted Positions 2011-12	431.0
Net New Positions	<u>6.5</u>
Budgeted Positions 2012-13	<u>437.5</u>

Instructional Aides

Budgeted Positions 2011-12	18.0
Budgeted Positions 2012-13	<u>18.0</u>

Classified/Confidential Positions

Budgeted Positions 2011-12	263.0
Positions Added	0.0
Positions Frozen	<u>10.0</u>
Budgeted Positions 2012-13	<u>253.0</u>

Administrative Positions

Budgeted Positions 2011-12	200.0
Positions Added	0.0
Positions Frozen	<u>8.0</u>
Budgeted Positions 2012-13	<u>192.0</u>

Total College

Total Positions 2011-12	912.0
Positions Frozen	<u>11.5</u>
Total Positions 2012-13	<u>900.5</u>

Administrative, Classified and Confidential Employee Changes

A total of 6.5 faculty positions are budgeted to meet contractual requirements as well as current program needs. Budgeted administrative positions were reduced by 8, classified positions by 6, and confidential positions by 4. Position freezes were made in areas where there were unfilled vacancies that were judged to be less essential given the projected budget constraints for 2012-13.

Non-Salary Operating Expenses Change

Healthcare costs are expected to increase by \$1,283,500 or 6.9 percent from the revised 2011-12 budget amount. This increase, which is smaller than recent years' patterns, reflects savings possible from the College's best and final contract offer to the union, as well as the reduction in the number of budgeted administrative, classified and confidential employees.

Other general expenses have been budgeted at a level of \$13,517,981. This amount is \$880,684 or 7.0 percent greater than the revised budget for 2011-12. This increase is primarily attributable to the implementation of several key initiatives associated with improving student success (Achieving the Dream, new Learning Management System) and enhancing enrollment management (international student recruitment, document imaging and management, DegreeWorks, and redesigned Home Page). Funds have also been budgeted to increase the College's private fund raising capacity and support continued work on the College's next Facility Master Plan.

Plant operating expenses are budgeted at a level of \$6,531,747. This is \$363,072 or 5.3 percent less than the revised budget for 2011-12. The major reason for this reduction is the decision which has been made to close most Main Campus buildings on Friday evenings and Saturdays during the fall and spring terms. Classes previously offered at the Main Campus have been rescheduled to

the Regional Centers. The Center for Business and Industry will remain open for Corporate Solutions programs.

An institutional contingency amount of \$550,000 has been budgeted. The contingency provides flexibility to address emerging priorities during the year, and a small cushion for unanticipated, but critical, expense needs.

Leases

The following is a list of major software and equipment leases budgeted for the 2012-13 year:

2012-13 Equipment and Software Leases

<u>Description</u>		<u>Cost</u>	<u>Department</u>
Sun Servers and Storage Devices Leases	Main Campus	174,973	ITS
Sun Servers, Storage Devices & Cisco Equipment Leases	NERC - Redundant Room	226,218	ITS
IT Infrastructure Upgrade Financing Leases		367,279	ITS
Oracle Site License Financing Lease		127,383	ITS
Oracle Software Maintenance		404,575	ITS
Active Directory Equipment Lease		36,574	ITS
Banner Software Maintenance		348,396	ITS
Degree Works Software Maintenance		11,000	ITS
Evisions, Brio, and Schedule/Resource 25 Software Maintenance		87,581	ITS
Appworx Software Maintenance		28,900	ITS
Imaging System Software Maintenance		35,420	ITS
Novell Groupwise Software Maintenance		115,000	ITS
Microsoft Campus License		60,000	ITS
McAfee Anti-Virus Software Maintenance		64,000	ITS
CBORD ID Card, Stored Value, Access, Security Software Maintenance		47,430	ITS
Other Non-Banner related Software Maintenance		122,626	ITS
Data and Voice Lines		330,932	ITS
Faculty/Staff PCs and server Leases		275,000	ITS
Other ITS Servers		38,049	ITS
Telephone System Financing Lease		123,732	ITS
Document Imaging Software & Hardware Financing Lease		60,000	Enrollment Services
Classroom & Lab PC Leases		587,118	Student Academic Computing
Copier Leases - High Speed and Satellite		89,448	Duplicating
HP Color Indigo Printer/Press Financing Lease		72,372	Duplicating
Duplicating Duplo Folder Financing Lease		15,428	Duplicating
Jonson Control Performance Contract Financing Lease		496,660	Facilities
Miscellaneous Leases		338,594	Various
		<u>4,684,688</u>	
	Less: Perkins Local Plan Funding	<u>(350,936)</u>	
Amount in Operating Budget		<u><u>4,333,752</u></u>	

Under the provision of Act 46, less capital lease funding is available to community colleges than under the prior State funding approach. Of the above amount, \$179,000 will be funded by the State through capital lease funds and

\$350,936 will be funded from federal Perkins funding which supports career program capital and operating expenses.

Capital Expenses

Capital needs, including deferred maintenance costs, are an ongoing critical college expense priority. Annual capital funding is provided in several ways: dedicating a portion of City funds; out-of-county student capital fees; funding from the State (Act 46) capital pool; and, in some years, from non-mandated capital allocations provided by the State. In addition, grants and other special sources of capital funding, including private gifts and Perkins vocational-education funds, will support some 2012-13 capital needs. The 2012-13 capital budget plan totals \$14,158,428 in planned capital expenditures to be funded from Perkins Grant funds, State appropriations, use of City dollars, and non-resident student capital fees. This value includes City and State funding for multi-year debt in the amount of \$13,018,428.

Several capital expenditures supporting the College's 2012-13 strategic objectives will be included in the capital budget plan. These include: equipment and renovation costs to convert ten general-purpose classrooms to smart classrooms; Directory Verification software; queuing system software to support the new integrated Enrollment Services Center; and a phone tracking system.

The planned capital equipment, furniture, software, and facility renovations budget totals \$1,140,000. Perkins Vocational Education funds of \$100,000, capital fees of \$360,000, and \$680,000 of the 2012-13 City appropriation will be used to fund this portion of the capital budget.

Required debt-service payments for 2012-13 will total \$13,018,428. The long-term debt has the following components: the 1994 Bonds, refinanced in 1999, for the Northeast Regional Center, library expansion, and several other on-campus projects which has a required payment of \$1,356,845; the 2003 Banner project debt, \$830,000; and the 2007 Bond Issue which refinanced the 1998 Bond (Northwest Regional Center and Main Campus Projects), and the 2001 Bond (Center for Business and Industry Project) with a payment amount of \$2,894,856. The debt service for the Main Campus and Northeast Regional Center expansion projects is \$7,049,513. A ten-year note was issued in October 2006 to fund roof repairs, sidewalk replacements, and exterior brickwork repairs. The annual debt service for the note is \$379,913. A five-year SPSBA loan to fund the West

Building elevator overhaul, the Mint masonry project, and the replacement of the Northwest Regional Center chiller has a required payment in the amount of \$290,402. A five-year SPSBA loan undertaken to pay for the renovation costs of expanding the West Regional Center has a required payment of \$216,899.

Student Activities and Athletics and Commencement Expenses

Student activity and commencement expenditures are funded from the General College fee, revenues generated from student events, and net profits from the bookstore and food service functions. The projected level of expenditures in this area is \$2,418,458.

GASB 45

Beginning with the 2007-08 fiscal year, the College was required to implement a new accounting standard, GASB 45. This standard requires that the estimated present value of post-retirement healthcare costs be accrued for both current retirees and their dependents and for current employees and their dependents. The GASB 45 accrued expense computation does not directly impact on current year's revenues, expenses, and cash position; but it does have a significant impact on total expense and net asset amounts recorded in the College's financial statements. As of June 30, 2011, a total of \$22.6 million was recorded on the College's financial statements for this accrued liability. Approximately \$7.6 million will be added to this accrual in both fiscal 2012 and fiscal 2013.

PART V

REVENUE BUDGET

Credit Enrollments

Credit enrollments are projected to be at a level of 15,450 FTEs for 2012-13. This represents a decline of 2.6 percent or 412 FTEs from the projected 15,862 credit FTEs for 2011-12. As discussed in Part I, the projected decline in credit FTEs includes the expected impacts of reduced federal financial aid support and the improving local economy which is enabling some potential students to return to the workforce. Offsetting these factors will be the continuing improvements being made in student retention and the growing price advantage that the College has relative to regional four-year colleges and universities. Table IX (pages 65-68) provides a semester-by-semester enrollment projection at on- and off-campus locations. Table X (page 69-71) provides enrollment projections for each of the College's programs of study.

Non-Credit Enrollments

The enactment of Act 46 in July 2005 substantially altered the revenues received by the College for non-credit FTEs. Prior to the 2005-06 year, the College received current-year funding for each FTE taught in its non-credit programs. Over 80 percent of the College's non-credit FTEs historically were taught in the area of adult literacy including Adult Basic Education, English as a Second Language, and GED programs.

The elimination of State funding for adult literacy programs forced the College to greatly scale down its efforts in this area. To partially mitigate the complete loss of State funding for adult literacy programs, \$70 course fees were introduced for the 2006-07 year. Student books are provided out of the course fee. Since being set at \$70, there has been no change in this fee and it will remain at \$70 for the 2012-13 year. Recent years' efforts to structure the programs to maximize opportunities for student success, and to operate the programs in an efficient manner as possible will continue.

Non-credit offerings in other areas such as workforce training have tuition charges set at levels which are sufficient to cover all costs associated with offering the courses and also return modest net revenues to the College.

The following table shows 2011-12 and 2012-13 projected non-credit enrollments:

<u>Category</u>	<u>Projected 2011-12 FTEs</u>	<u>Budgeted 2012-13 FTEs</u>
Adult Literacy (GED, ESL, ABE)	321	424
Workforce Development	171	180
Other	<u>288</u>	<u>120</u>
Total – Non-Credit	<u>780</u>	<u>724</u>

City and State Funding

Figure C summarizes total City and State funding for the most recent ten years.

Figure C

Total City and State Funding 2003-04 to the Present

Fiscal Year	Total City Allocation	Total State Allocation
2003-04	22,467,924	31,567,231
2004-05	22,467,924	29,932,976
2005-06	22,467,924	33,286,218
2006-07	23,467,924	34,793,530
2007-08	24,467,924	35,794,786
2008-09	26,467,924	37,982,645
2009-10	26,467,924	37,752,173**
2010-11	25,409,207	37,707,760
2011-12	25,409,207	34,578,995
2012-13	25,409,207*	33,418,877***

* Amount included in proposed City budget.

** Does not include a one-time \$216,618 payment received from the State for underfunded FTEs in 2004 and 2005 fiscal years.

*** State funding is estimated based upon the Governor's proposed higher education budget and an assumption that there will be no capital funding for new projects.

From 2004 through 2006 City funding was unchanged. In 2006-07, and again in 2007-08, the City provided the College with a \$1,000,000 increase. These increases, while important, did not represent proportionate growth in funding relative to the growth in the College's budget. As a result, the percentage of the operating budget funded from City appropriations continued to decline. From 1991 through fiscal year 2002, City funding covered an average of 24 percent of the College's operating budget. In fiscal year 2008, the City funded 19.2 percent of the operating expenses, in fiscal year 2009 funded 17.7 percent of operating expenses, and in fiscal year 2010 funded 17.0 percent of operating expenses. The level of support has fallen to 15.1 percent in fiscal year 2011 and is projected to be 14.8 percent for fiscal year 2012 and 14.5 percent for fiscal 2013.

City funding is a lump-sum appropriation. There is no separate capital allocation. As the College's expenditures on capital projects and debt service change, this increases or decreases the dollars that are available from the City allocation for operating purposes. Unlike student, and until recently State revenues, the annual City appropriation has not ever been tied, directly or indirectly, to enrollments.

Until the last few years, with only a few exceptions, the Commonwealth has provided funding for the College in excess of 33 percent of the operating budget throughout the College's history. Average funding from the State throughout the 1990s was approximately 35 percent of the operating budget; and, as recently as the 2002 fiscal year, the Commonwealth provided 36.8 percent of the College's operating budget.

Beginning with the 2005-06 fiscal year, under the provisions of Act 46 passed in July 2005, State funding for Pennsylvania community colleges was transformed from the previous enrollment-based funding formula to an approach which was intended to provide more stability and predictability in funding. Act 46 largely, but not completely, uncoupled the level of State funding received from annual enrollment shifts. Key characteristics of the Act 46 State funding methodology were intended to be: (1) predictability at the start of the fiscal year for both the State and the community colleges as a whole with respect to the total amount of State funding that will be provided; (2) high priority program funding tied to the State's workforce development policies; and (3) a commitment to maintaining capital project funding support through a separately-funded revolving capital pool. For fiscal years 2010 and 2011, the State budget approval process

ignored Act 46 and provided an operating allocation to each community college based upon the level of fiscal 2009 funding reduced by .21 percent. At the same time, federal stimulus funding was substituted in place of some normal State revenues to keep CCP's and the other community colleges' operating funding essentially flat. CCP's stimulus funding in each of the two years was \$2.84 million. Federal stimulus funding expired at the end of the 2011 fiscal year. For the 2011-12 fiscal year, the State did not replace the federal stimulus funds from general revenues, and budgeted an amount that reflected a ten percent decrease (\$3.12 million) in operating funds from the amount (including stimulus funds) that the College received in fiscal 2011. State operating budget support, under the Governor's proposed 2013 fiscal year budget, will be 4.1 percent less than that provided in fiscal 2012. This represents a reduction of \$1,163,012 from the 2011-12 State funding amount.

In 2007-08, the State supported 30.7 percent of the operating budget, and in 2008-09, the level of support was 29.0 percent. In 2009-10, including stimulus funding, the State level of support was 28.1 percent, in fiscal 2011 was 26.1 percent, in 2011-12 is projected to be 23.1 percent; and, as proposed in the Governor's budget, will represent 21.8 percent of the 2012-13 operating expense.

City Current Operating Revenues

Based upon the Mayor's budget proposal, the 2012-13 City appropriation is projected to be \$25,409,207. This reflects funding at the level received from the City in 2010-11 after the four percent cut in funding was put in place in fall 2010. City dollars are first applied to the City's share of debt service and capital expenses. The remaining revenues are available to support current operating expenses. The computation for 2012-13 is as follows:

City Appropriation	\$ 25,409,207
Less: Debt Service	6,688,445
Less: Capital Purchases	<u>680,000</u>

AVAILABLE FOR CURRENT OPERATING BUDGET	<u>\$18,040,762</u>
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State Current Operating and Lease Revenues

For the fourth fiscal year, the provisions of Act 46 enacted for the 2005-06 year, have been bypassed in the State Budget process. The Governor has proposed funding that is 4.1 percent less than was received in fiscal 2012. CCP operating funding appropriations for the last three years and proposed for 2011-12 are as follows:

2008-09	\$31,495,479
2009-10	\$31,594,396
2010-11	\$31,377,104
2011-12	\$28,251,907
2012-13	\$27,088,894

Of the amounts received in 2009-10 and 2010-11, \$2,844,299 was allocated each year to the College out of federal stimulus (ARRA) funding received by the State and used in place of other State revenues.

Included in the State funding amount is fifty percent funding for most leased building and some leased equipment costs included in the operating expense budget. State operating revenues available for leases are projected to be \$215,000. The rules for capital lease funding have been revised under procedures set in place by Act 46. Fewer capital leases are now eligible for reimbursement than was the circumstance prior to the Act 46 being enacted.

Commonwealth of Pennsylvania Capital Funding

In recognition of the very large amount of major unmet capital project needs in each of the community colleges' master plans, the State, through Act 46, established a separately-funded capital pool for the community colleges. The capital pool includes all dollars committed to existing long-term capital (debt service and long-term facility leases). The capital pool is treated as a revolving fund so that as debt is retired or leases terminated, dollars committed to those costs will be returned to the pool for use for another capital purpose. In addition, the capital pool may be augmented by an annual appropriation increase. The expectation is that over time a significant amount of new construction and major deferred maintenance needs will be addressed by the revolving capital pool.

In 2006-07, the College received support for a \$3 million project to address deferred maintenance issues, primarily roofs of the Main Campus and the West Regional Center. The State is currently amortizing 50 percent of a 10 year tax-exempt note issued to finance these deferred maintenance projects. Two major capital projects were approved in 2008: expansion of the Northeast Regional Center, and expansion and redesign of portions of the Main Campus. Bond financing for the projects in the amount of \$74 million was completed in October 2008. Initial State funding for this debt was at a level of 42 percent. During the 2009-10 year, State funding was increased to a full 50 percent level and will remain at this level throughout the life of the debt. Total State funding for capital debt will be \$6,329,983.

Student Tuition and Fee Revenues

The last fiscal year in which students' tuition and fee revenues were less than one-third of the College's operating revenues was in the 1990-91 fiscal year. For fiscal years 2000 through 2003, student tuition and fee revenues represented approximately 40 percent of institutional revenues. Since then, tuition and fee revenue has risen to represent 59.2 percent of total revenues required by the College to support the 2011-12 operating budget. The growing dependence on student tuition and fee revenues (and indirectly on Federal and State financial aid programs) has significant implications for the College. Federal and state policy decisions have the potential to significantly influence student enrollment decisions and therefore College revenues. The strong enrollment experienced by the College from 2009 through 2011 was partially attributable to increases in Pell funding. For the 2012-13 fiscal year, there will be no increase in Pell funding; and tightened eligibility rules will disqualify some potential CCP students from access to funds. The impact of these changes are being felt in the first summer 2012 session where enrollments are projected to be five percent less than originally budgeted.

For the 2012-13 year, student tuition charges are planned to increase from \$138 to \$148 per credit. No change in the general college, technology fee or courses fees is planned. Course fees are charged in circumstances when there are unusual costs associated with offering a course due to such factors as laboratory costs, small class size requirements, and/or high faculty contact hours. Course fees currently range from \$75 to \$450 depending upon the nature of the course. The average cost per credit (including all fees) will increase from \$177.15 to

\$185.15, an increase of 5.6 percent. With this increase, the average annual percentage increase in tuition and fees for the five most recent years will have been 4.0 percent. Despite recent increases, the dollar gaps between the College's tuition and fee charges and those in place at area four-year colleges and universities have continued to widen. State and federal financial aid, federal educational tax credits, and employer tuition payment plans all have helped to buffer most CCP students from these increases.

Student Current Operating Revenues

Student Tuition Revenues were projected as follows:

Revenue Category	Revenue Adjustments	Total Revenues
Gross Revenues:		
Credit Hours Taught 379,244		
Tuition - \$148 per credit*		
Gross Tuition Revenue**		\$61,802,199
Net Contribution from CBI Professional Development Courses (Ed2Go, ACT, WEDNet, Consortium)		321,500
Net Contribution from Business and Industry Contracted Non-Credit Programs		225,000
Net Contribution from Adult and Community Non-Credit Programs		25,000
Technology Fee - \$28 per credit		10,751,600
Credit Course Fees		2,930,500
Distance Education Fees		420,800
Adult Literacy Program Fees		123,340
Senior Citizen Course Fees		10,000
Regulatory and Other Non-Instructional Fees		976,300
Tuition Revenue Adjustments:		
Opportunity Now/Chamber of Commerce Programs	(251,700)	
Student Receivable Write-Offs and Tuition Adjustments	(1,170,000)	
Tuition Waivers and Exemptions	(367,000)	
Credit Card Fees	(25,000)	
Senior Citizen Tuition Discount	(46,700)	
Collection Costs	(120,000)	
Total Tuition Adjustments		(1,980,400)
TOTAL PROJECTED STUDENT REVENUES		<u>\$75,605,839</u>

* The \$148 per credit is effective for the fall 2012 term.

**Assumes 505 FTE out-of-county students and 505 FTE out-of-State students.

Consistent with prior years' budget development practices, business and industry program contract revenues are budgeted on a net-revenue basis. The nature of the educational contracts that are developed and entered into during the course of the year with clients makes it impossible to predict accurately expenditures in advance. Based upon current projections for 2012-13 Corporate Solutions contracts, a net revenue performance target of \$225,000 has been set for contracted non-credit programs. A similar net-revenue target of \$321,500 has been set for other Business and Industry non-credit programs and initiatives, and a target of \$25,000 for non-credit adult continuing education programs.

Federal Funding

Approximately 53 percent of the College's credit students received some form of financial aid assistance to attend the College. For those receiving grant aid, the average amount received in fiscal year 2012 was \$4,295. A substantial majority of the College's full-time students are among those receiving some form of federal grant aid. As a result, approximately 62 percent of the College's tuition and fee payments are now made with financial aid grant assistance. Since student revenues at present contribute over half of the College's revenues, this means that approximately 35 percent of the College's operating revenues are dependent upon Federal and, to a lesser extent, State financial aid policies.

For four years through fiscal year 2006-07, the maximum Pell award remained at \$4,050. As a result, the value of a Pell grant diminished in relative importance for Community College of Philadelphia students. The Pell maximum award was increased to \$4,310 for the 2007-08 year; for the 2008-09 year was increased to \$4,731; and for 2009-10 was increased to \$5,350; and for 2010-11 was increased to \$5,550. No change in the maximum occurred in 2011-12 or is planned for 2012-13. While many other factors directly impact upon enrollment levels, historically there is a high correlation between Pell availability and enrollments. In years in which Pell support for students has, relative to tuition and fee charges, been low, enrollments have tended to be stable or in decline. Similarly, relatively high Pell maximums contribute to enrollment growth. In addition to not changing the maximum amount, access to Pell has been limited in several other ways for 2012-13. The second Pell award for summer school attendance has been eliminated. In addition, course completion standards were significantly tightened. This means that many students who are academically unsuccessful or drop several courses will lose their aid after this semester.

The College is responding to this challenge in several ways. Earlier aid applications are strongly encouraged which permitted more students to qualify for PHEAA grants. Many ongoing, regularly-scheduled financial aid application sessions are scheduled for students before the start of each term to help them understand and complete the financial aid application process. The Development Office has worked aggressively to develop private scholarship opportunities. Greater effort has been focused toward helping students develop financial plans to pay for their education including taking full advantage of federal tax incentives. The College's tuition payment plan has been modified to make payment schedules more manageable for the students and their families. A college-wide education plan has been put in place to help staff and students understand the new progress requirements; and, as a result, try to ensure that students do not make decisions which will impact on their ability to receive aid in the future.

Loans are available to community college students to cover both tuition and fees and living expenses. However, many of the College's entering students are at risk academically, and borrowing money until their ability to succeed in higher education is clearly demonstrated, is not a desirable option. The College's financial aid staff work with students to try to develop financial plans to pay for their education that, at least initially, do not involve borrowing. Ultimately, the decision to borrow or not is the student's. Federal policies are clearly pushing low-income students to borrow more to participate in higher education.

Beyond City, State and students, the most important external source of budget support for the College budget over the past decade has been federal Perkins funds. In the past several years, the Perkins career program grant has provided close to \$1.0 million annually which has been used to support career program operating budget expenses, to provide funding for capital leases for computers in the College's career labs and classrooms, and to purchase capital equipment for the College's career programs. Some Perkins funding will continue to be available to the College in the 2012-13 year. The projected funding for 2012-13 is estimated at \$995,000, of which \$200,000 will be used to support operating budget expenses associated with career programs and \$100,000 will be used to support career program capital needs. In addition, Perkins funding supports \$350,436 of PC leases for career-program-focused computer labs.

Other Current Operating Revenues

Several other sources of revenue are available to support the College's operating budget. Projections for these are as follows:

Investment Income	\$ 780,000
Indirect and Administrative Cost Recovery	300,000
Parking Lot and Garage Net Proceeds	305,800
Miscellaneous Income	265,000
Vocational-Education (Perkins) Funds	200,000
TOTAL - OTHER REVENUE	<u>\$1,850,800</u>

The investment-income projection assumes that the Commonfund Multi Strategy and Intermediate Bond investments will yield 3.0 percent, that the TIAA-CREF longer-term fixed-income strategy will earn 3.5 percent, and that short-term investments will yield .5 percent. The average amount of investable funds is projected to be \$41,000,000. A total of \$200,000 in Perkins Vocational-Education Funds is projected to be received to provide educational services to students in the College's career programs. The Indirect and Administrative Cost Recovery in the amount of \$300,000 is largely composed of federal dollars received to support the award of federal financial aid dollars.

PART VI
DETAILED REVENUE, EXPENSE AND ENROLLMENT TABLES

TABLE I

**BUDGET SUMMARY - FUNDING SOURCES AND APPLICATIONS
OF FUNDS FOR THE JULY 1, 2012 - JUNE 30, 2013 FISCAL YEAR**

This table provides a summary of all operating and capital revenues and expenses projected for the 2012-13 year. The total expense budget for the 2012-13 year, including both capital and operating expenses, is \$141,450,793. The 2012-13 budget plan includes the use of \$1,950,173 of carry-over funds from prior years' budget surpluses.

Note: This table and subsequent tables do not reflect the accrued post-retirement benefit expense liability which was required to be reported in fiscal year 2008 for the first time under GASB 45. The projected amount for this accrued expense liability in the 2012-13 year is \$7.6 million.

TABLE I

**BUDGET SUMMARY - FUNDING SOURCES AND APPLICATION OF FUNDS
FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013**

FUNDING SOURCES	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
Student Tuition	\$60,393,299		\$60,393,299
Student Technology Fee	10,751,600		10,751,600
Credit Course Fee	2,930,500		2,930,500
Distance Education Fee	420,800		420,800
Adult Literacy Program Fee	123,340		123,340
Senior Citizen Fee	10,000		10,000
Regulatory and Other Non-Instructional Fees	976,300		976,300
City of Philadelphia	18,040,762	\$7,368,445	25,409,207
Commonwealth of Pennsylvania	27,088,894	6,329,983	33,418,877
Interest Income	780,000		780,000
Indirect Cost Allowances	300,000		300,000
Vocational Education Support Funds	200,000		200,000
Miscellaneous Income	265,000		265,000
Total Current Operating Revenues	<u>122,280,495</u>		
Student General, and Other Fees	1,758,697	360,000	2,118,697
Grant Capital Revenues		100,000	100,000
Total Educational and General Revenues	<u>124,039,192</u>		
Auxiliary Enterprises	1,303,000		1,303,000
Transfer from Carry-Over Funds	1,950,173 *		1,950,173
TOTAL SOURCES OF FUNDS	<u>\$127,292,365</u>	<u>\$14,158,428</u>	<u>\$141,450,793</u>
 APPLICATION OF FUNDS			
Current Operating Expenses	\$125,786,468		\$125,786,468
Less: Anticipated Lapsed-Budget Dollars	(1,250,000)		(1,250,000)
Reduced Current Operating Expenses	<u>124,536,468</u>		<u>124,536,468</u>
Student Activities & Commencement	2,418,458		2,418,458
Total Educational and General Expenditures	<u>126,954,926</u>		<u>126,954,926</u>
Auxiliary Enterprises	337,439		337,439
Capital Acquisitions		\$1,140,000	1,140,000
Debt Service		13,018,428	13,018,428
TOTAL USES OF FUNDS	<u>\$127,292,365</u>	<u>\$14,158,428</u>	<u>\$141,450,793</u>
Transfer to Student Activities Reserve	<u>\$0</u>		<u>\$0</u>
TOTAL APPLICATION OF FUNDS	<u>\$127,292,365</u>	<u>\$14,158,428</u>	<u>\$141,450,793</u>

* The amount shown for the Transfer from Carry-Over Funds does not include the impact of the accrued post retirement expense that is required to be booked by GASB 45. The value of the accrual for fiscal year 2013 is estimated at \$7.6 million.

TABLE II
STATEMENT OF CURRENT FUND REVENUES
FOR THE 2012-13 FISCAL YEAR IN
COMPARISON TO 2010-11 FISCAL YEAR
ACTUALS AND THE 2011-12 REVISED BUDGET

This table provides detail on all projected sources of current revenue for the 2012-13 year and contrasts them with current revenues for 2010-11 and 2011-12. Factors positively influencing 2012-13 revenue changes are the increase in the tuition charge per credit from \$138 to \$148, and the new credit card convenience fee which is reducing the amount of lost tuition and fee revenue from credit card payments by \$300,000. As provided for in the Mayor's and Governor's budget proposals, the budget revenue plan assumes no change from the 2011-12 level in City funding and a 4.1 percent decrease from 2011-12 in State operating budget funding. Carry-over revenues from prior years in the amount of \$1,950,173 are being used to develop a balanced budget plan for 2012-13.

The "net contributions from contracted non-credit instruction and other non-credit instruction" reported under student tuition incorporates the net proceeds projected to be received from business and industry contracts and programs, including the Collegiate Consortium which operates at the Naval Yard location in South Philadelphia. A small net contribution is also projected from Adult Non-credit Instruction.

Total 2012-13 current revenues are projected to equal \$125,342,192, an increase of \$2,322,300 or 1.9 percent over the revised 2011-12 revenue budget. The required use of carry-over funds for the 2011-12 year has been reduced from \$2,397,713 originally budgeted to a currently projected level of \$1,998,366.

TABLE II

**STATEMENT OF CURRENT FUND SOURCES OF REVENUES
FOR THE FISCAL YEAR 20012-13 IN COMPARISON TO FISCAL YEARS 2011-12 AND 2010-11**

	2010-11 Actual	Approved 2011-2012 Budget	Revised 2011-12 Budget	Proposed 2012-13 Budget	% Change From 2010-11 Revised
EDUCATIONAL AND GENERAL					
<u>Student Revenues</u>					
Tuition	\$53,295,319	\$57,430,482	\$56,446,590	\$59,821,799	6.0
Technology Fee	11,237,156	11,197,800	11,041,100	10,751,600	(2.6)
Credit Course Fee	2,588,981	2,885,000	2,852,368	2,930,500	2.7
Distance Education Fee	359,250	417,000	420,820	420,800	(0.0)
Adult Literacy Program Fee	129,080	105,000	123,340	123,340	0.0
Senior Citizen Fee	10,782	10,000	10,000	10,000	0.0
Regulatory and Other Non-Instructional Fees	890,739	886,800	847,000	976,300	15.3
Net Contribution from Contracted Noncredit Instruction	371,936	502,000	50,000	225,000	350.0
Net Contribution from Other Noncredit Instruction	179,799	175,000	370,000	321,500	(13.1)
Net Contribution from Adult Community Noncredit Instruction	16,778	25,000	25,000	25,000	0.0
Total Student Revenues	69,079,820	73,634,082	72,186,218	75,605,839	4.7
<u>Governmental Appropriations</u>					
City of Philadelphia	18,091,851	17,796,985	18,087,542	18,040,762	(0.3)
Commonwealth of Pennsylvania	31,343,227	28,251,907	28,251,906	27,088,894	(4.1)
Total Governmental Appropriations	49,435,078	46,048,892	46,339,448	45,129,656	(2.6)
<u>Other Income</u>					
Interest Income	496,364	780,000	633,194	780,000	23.2
Indirect Cost Allowances	228,484	350,000	300,000	300,000	0.0
Vocational Education Support Funds	179,614	250,500	200,000	200,000	0.0
Miscellaneous Income	308,747	265,000	265,000	265,000	0.0
Total Other Income	1,211,209	1,645,500	1,398,194	1,545,000	10.5
Total Current Operating Revenues	119,726,107	121,328,474	119,923,860	122,280,495	2.0
<u>Other Student Income</u>					
General College & Other Fees #	1,658,588	1,695,254	1,636,532	1,593,697	(2.6)
Other Student Activity Revenues #	178,520	165,000	165,000	165,000	0.0
Total Other Student Income	1,837,108	1,860,254	1,801,532	1,758,697	(2.4)
TOTAL EDUCATIONAL AND GENERAL REVENUES	121,563,215	123,188,728	121,725,392	124,039,192	1.9
<u>Auxiliary Enterprises</u>					
Bookstore #	737,344	775,200	880,000	880,000	0.0
Food Service #	(180,237)	58,375	61,000	66,000	8.2
Parking Lot & Garages	100,566	348,166	353,500	357,000	1.0
Total Auxiliary Enterprises	657,672	1,181,741	1,294,500	1,303,000	0.7
TOTAL CURRENT FUND SOURCES OF REVENUES	\$122,220,887	\$124,370,469	\$123,019,892	\$125,342,192	1.9
Transfer (from) to Quasi-Endowment Reserve		\$0	\$32,044	\$0	
Transfer from Carry-Over Funds		\$2,397,713 *	\$ 1,998,366	\$ 1,950,173 *	(2.4)

These sources of revenue fund Student Activities and Athletics Program and do not support the current operating budget.

* The amount shown for the Transfer from Carry-Over Funds does not include the impact of the accrued post retirement expense that is required to be booked by GASB 45. The value of the accrual for fiscal years 2012 and 2013 is projected to be \$7.6 million.

TABLE III

SUMMARY OF REVENUES AND EXPENDITURES FOR THE 2012-13 FISCAL YEAR COMPARED WITH THE 2011-12 REVISED AND APPROVED BUDGETS (EXCLUSIVE OF CAPITAL REVENUES AND EXPENSES)

This table compares planned 2012-13 expenditures and revenues with those for the prior years. Student tuition and fees, including business and industry contracted program net revenues, are projected to increase by 4.7 percent. Combined City and State revenues will drop by 2.6 percent.

Budgeted salaries, before lapsing, reflect a \$947,394 or 1.3 percent decrease over the revised 2011-12 salaries. Staff salaries are budgeted at the level required for the best and final offer made to the Federation in the ongoing collective bargaining process for the employee contracts which expired on August 31, 2011. Fringe benefit costs are projected to increase by 5.1 percent, and other expenses are budgeted to increase by 2.7 percent. The total 2012-13 operating budget is \$2,311,082 or 1.9 percent greater than the revised 2011-12 budget.

TABLE III

**SUMMARY OF CURRENT FUND SOURCES OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR 2012-13 COMPARED WITH FISCAL YEAR 2011-12**

	Approved 2011-12 Budget	Revised 2011-12 Budget	Proposed 2012-13 Budget	% Change From 2011-12 Revised
SOURCES OF FUNDS				
<u>Current Operating Revenues</u>				
Student Tuition and Fees	\$73,634,082	\$72,186,218	\$75,605,839	4.7
Governmental	46,048,892	46,339,448	45,129,656	(2.6)
Other	1,645,500	1,398,194	1,545,000	10.5
Total Current Operating Revenues	121,328,474	119,923,860	122,280,495	2.0
Other Student Fees and Other Revenues	1,860,254	1,801,532	1,758,697	(2.4)
TOTAL EDUCATIONAL AND GENERAL	123,188,728	121,725,392	124,039,192	1.9
Auxiliary Enterprises	1,181,741	1,294,500	1,303,000	0.7
Transfer from Carry-Over Funds	\$2,397,713 *	\$1,998,366 *	\$1,950,173 *	(2.4)
TOTAL SOURCES OF FUNDS	\$126,768,182	\$125,018,258	\$127,292,365	1.8
EXPENDITURES				
<u>Current Operating Expenditures</u>				
Salaries (including Unexpended Dollars)	\$74,989,803	\$75,127,509	\$74,180,115	(1.3)
Less: Anticipated Lapsed-Budget Dollars	(1,600,000)	(2,000,000)	(1,250,000)	(37.5)
Net Salaries	73,389,803	73,127,509	72,930,115	(0.3)
Fringe Benefits	30,552,426	29,440,761	30,931,625	5.1
Retirement Incentive Expense	450,000	450,000	450,000	0.0
Other Expenses	19,492,124	19,532,116	20,049,728	2.7
Student Financial Aid Expense	135,000	175,000	175,000	0.0
Less: Projected Residual Savings		(500,000)		
Total Reduced Current Operating Expenditures	124,019,353	122,225,386	124,536,468	1.9
Student Activities & Commencement	2,405,822	2,405,822	2,418,458	0.5
TOTAL EDUCATIONAL AND GENERAL	126,425,175	124,631,208	126,954,926	1.9
Auxiliary Enterprises	343,007	355,006	\$337,439	(4.9)
TOTAL EXPENDITURES	\$126,768,182	\$124,986,214	\$127,292,365	1.8
Transfer (from) to Quasi Endowment Reserve	\$0	\$32,044	\$0	
TOTAL APPLICATION OF FUNDS	\$126,768,182	\$125,018,258	\$127,292,365	1.8

* The amount shown for the Transfer (from) to Carry-Over Funds does not include the impact of the accrued post retirement expense that is required to be booked by GASB 45. The value of the accrual for fiscal years 2012 and 2013 is projected to be \$7.6 million.

TABLE IV

COMPARATIVE ANALYSIS OF CURRENT OPERATING EXPENSE CATEGORIES PROPOSED 2012-13 BUDGET, REVISED 2011-12 BUDGET, APPROVED 2011-12 BUDGET, AND 2010-11 ACTUAL EXPENSES

This table provides detail on the budget by expense category. Comparisons of the 2012-13 budget plan are made with the 2011-12 approved and revised budgets and to the 2010-11 actual expenses.

The revised 2011-12 budget reflects the adjustments to original budget allocations that were made during the course of the fiscal year. Expenditures reported in this table do not include contracted business and industry non-credit program instructional expenses. Those expenses are incorporated into the net revenue target set for Business and Industry contract programs.

Salary and fringe benefit expenditures budgeted for 2012-13 incorporate the financial impact of the best and final offer made to the Federation in February 2012. Budgeted classified, confidential and administrative salaries reflect reductions in budgeted positions made during the budget process.

The total 2012-13 operating expenditure budget totals \$124,536,468, an increase of \$2,311,082 or 1.9 percent over the revised 2011-12 budget.

TABLE IV

COMPARATIVE ANALYSIS OF CURRENT OPERATING EXPENSE CATEGORIES
 PROPOSED BUDGET 2012-13, REVISED BUDGET 2011-12, APPROVED BUDGET 2011-12 BUDGET, AND ACTUAL 2010-2011 EXPENSES

	Actual Budget 2010-2011	Approved Budget 2011-2012	Revised Budget 2011-2012	Proposed Budget 2012-2013	Variance From App'd Budget	Variance From Rev'd Budget	%
SALARIES AND WAGES							
Instructional - Regular & VLs	\$24,490,901	\$24,898,374	\$25,323,316	\$25,281,780	\$383,406	(\$41,536)	1.5
Administrative	14,270,345	15,681,096	15,598,060	15,210,755	(470,341)	(387,305)	(3.0)
Instructional - Overload & Part-Time - Credit	11,689,422	11,086,985	10,885,806	10,834,685	(252,300)	(51,121)	(2.3)
Full-Time Classified	9,922,940	10,670,207	10,670,201	10,408,387	(261,820)	(261,814)	(2.5)
Instructional - Summer - Credit	4,408,979	4,254,934	4,254,934	4,462,134	207,200	207,200	4.9
Counselors	2,271,740	2,369,385	2,418,115	2,351,008	(18,377)	(67,107)	(0.8)
Part-Time Laboratory/Professional	1,068,724	1,056,095	1,120,107	1,037,179	(18,916)	(82,928)	(1.8)
Instructional Aides	903,583	923,416	923,416	931,560	8,144	8,144	0.9
Curriculum Advising	582,661	795,435	554,622	548,100	(247,335)	(6,522)	(31.1)
Librarians	768,914	736,196	832,162	747,173	10,977	(84,989)	1.5
Extended Time Payments	608,853	570,417	588,603	522,917	(47,500)	(65,686)	(8.3)
Part-Time Classified	382,745	378,065	387,204	358,716	(19,349)	(28,488)	(7.4)
Classified Overtime	371,469	355,374	344,577	313,750	(41,624)	(30,827)	(11.7)
Student & Co-Op	290,769	332,441	374,703	322,798	(9,643)	(51,905)	(2.9)
Instructional - Overload & Part-Time - Noncredit	296,895	326,859	326,859	286,322	(40,537)	(40,537)	(12.4)
Part-time Librarians and Counselors	239,017	214,393	184,393	208,811	(5,582)	24,418	(2.6)
Department Head Supplement	114,870	125,231	125,231	116,674	(8,557)	(8,557)	(6.8)
Instructional - Summer - Noncredit	122,366	124,774	124,774	149,433	24,659	24,659	19.8
Part-Time Tutors	80,838	69,000	69,000	69,000	-	-	0.0
Shift Differential	19,480	21,126	21,426	18,933	(2,193)	(2,493)	(10.4)
Total Salaries and Wages	72,905,531	74,989,803	75,127,509	74,180,115	(809,688)	(947,394)	(1.1)
Retirement Incentive Payments	280,593	450,000	450,000	450,000	-	-	0.0
Total Salaries, Wages & Retirement Incentive Expenses	73,186,124	75,439,803	75,577,509	74,630,115	(809,688)	(947,394)	(1.1)

FRINGE BENEFITS							
Medical, Drug, & Dental *	18,307,105	19,871,042	18,595,000	19,878,500	7,458	1,283,500	6.9
Retirement	5,676,694	5,537,075	5,557,000	5,610,400	73,325	53,400	1.0
FICA Tax	3,079,139	2,844,433	2,988,000	3,043,000	198,567	55,000	1.8
Group Life Insurance	357,376	372,000	366,000	371,500	(500)	5,500	(0.1)
Workers' Compensation	302,328	320,468	367,811	367,800	47,332	(11)	14.8
Unemployment Compensation	247,887	377,654	363,700	381,000	3,346	17,300	0.9
Disability Insurance	270,644	282,000	265,800	269,800	(12,200)	4,000	(4.3)
Unused Vacation	102,990	225,138	200,000	225,000	(138)	25,000	(0.1)
Forgivable Loans	80,535	87,450	87,450	87,500	50	50	0.1
Tuition Remission	647,301	635,166	650,000	697,125	61,959	47,125	9.8
Total Fringe Benefits	29,071,999	30,552,426	29,440,761	30,931,625	379,199	1,490,864	1.2

* Benefit cost recoveries from grants are reflected in these amounts.

TABLE IV

COMPARATIVE ANALYSIS OF CURRENT OPERATING EXPENSE CATEGORIES
 PROPOSED BUDGET 2012-13, REVISED BUDGET 2011-12, APPROVED 2011-12 BUDGET, AND ACTUAL 2010-2011 EXPENSES

	Actual Budget 2010-2011	Approved Budget 2011-2012	Revised Budget 2011-2012	Proposed Budget 2012-2013	Variance From App'd Budget	% Rev'd Budget	Variance From Budget	%
OTHER EXPENSES - GENERAL								
Leased Equipment & Software	3,370,202	4,176,920	4,170,806	4,357,752	180,932	4.3	186,946	4.5
Catalogues & Advertising Pool	1,691,132	1,360,201	1,352,739	1,264,721	(95,480)	(7.0)	(88,018)	(6.5)
Supplies & Book Purchases	1,309,143	1,329,116	1,318,500	1,379,580	50,464	3.8	61,080	4.6
Contracted Services Pool	1,356,274	1,006,034	1,019,184	1,323,789	317,755	31.6	304,605	29.9
Consulting	714,013	752,300	802,844	1,253,725	501,425	66.7	450,881	56.2
Equipment Repair & Maintenance	655,989	637,511	649,316	535,959	(101,552)	(15.9)	(113,357)	(17.5)
Insurance	580,559	559,950	684,950	568,900	8,950	1.6	(116,050)	(16.9)
Postage	472,873	540,150	490,394	452,600	(87,550)	(16.2)	(37,794)	(7.7)
Travel	193,944	148,981	181,588	156,870	7,889	5.3	(24,718)	(13.6)
Faculty Travel Funds	180,399	136,000	136,000	136,000	-	0.0	-	0.0
Fundraising Events & Activities					100,000		100,000	
Legal	163,553	200,000	200,000	200,000	-	0.0	-	0.0
Library Books and AV Software	171,663	213,000	187,695	179,000	(34,000)	(16.0)	(8,695)	(4.6)
Institutional Membership	219,671	227,130	240,155	233,948	6,818	3.0	(6,207)	(2.6)
Personnel Recruitment	184,128	135,152	135,152	123,702	(11,450)	(8.5)	(11,450)	(8.5)
Hospitality	209,186	148,652	147,900	122,156	(26,496)	(17.8)	(25,744)	(17.4)
Audit	147,701	177,000	177,000	177,000	-	0.0	-	0.0
Freight and Delivery	27,838	51,000	52,384	40,497	(10,503)	(20.6)	(11,887)	(22.7)
Public Events	138,737	117,712	93,770	74,382	(43,330)	(36.8)	(19,388)	(20.7)
Overtime Dinner Allowance	22,647	27,666	27,873	23,642	(4,024)	(14.5)	(4,231)	(15.2)
Accreditation	18,944	18,000	18,600	20,600	2,600	14.4	2,000	10.8
Fuel-College Vehicles	4,671	6,000	6,000	6,000	-	0.0	-	0.0
Leased Vehicles	6,470	5,300	7,934	6,570	1,270	24.0	(1,364)	(17.2)
Awards	4,251		4,871	3,560			(1,311)	(26.9)
Contingency - Departmental		243,767	167,102	227,028	(16,739)	(6.9)	59,926	35.9
Contingency - Institutional		500,000	364,540	550,000	50,000	10.0	185,460	50.9
Total Other Expenses - General	11,843,988	12,717,542	12,637,297	13,517,981	796,879	6.3	880,684	7.0

TABLE IV

COMPARATIVE ANALYSIS OF CURRENT OPERATING EXPENSE CATEGORIES
 PROPOSED BUDGET 2012-13, REVISED BUDGET 2011-12, APPROVED BUDGET 2011-12 BUDGET, AND ACTUAL 2010-2011 EXPENSES

	Actual Budget 2010-2011	Approved Budget 2011-2012	Revised Budget 2011-2012	Proposed Budget 2012-2013	Variance From App'd Budget	% Rev'd Budget	Variance From Budget	%
OTHER EXPENSES - PLANT								
Electricity	1,778,935	2,004,514	1,869,514	1,759,514	(245,000)	(12.2)	(110,000)	(5.9)
Natural Gas	256,859	306,137	281,137	264,633	(41,504)	(13.6)	(16,504)	(5.9)
Water and Sewer Rent	256,707	292,055	292,055	302,055	10,000	3.4	10,000	3.4
Fuel Oil	70,313	78,490	78,490	80,500	2,010	2.6	2,010	2.6
Contracted Security Service	1,179,877	1,237,000	1,237,000	1,302,010	65,010	5.3	65,010	5.3
Contracted Cleaning	999,994	1,121,011	999,994	1,062,000	(59,011)	(5.3)	62,006	6.2
Plant Maintenance & Repairs	544,768	541,623	823,623	551,000	9,377	1.7	(272,623)	(33.1)
Contracted Plant Operations	485,135	596,152	717,189	647,025	50,873	8.5	(70,164)	(9.8)
Property Rent	272,096	408,000	408,000	352,750	(55,250)	(13.5)	(55,250)	(13.5)
Plant Operations Material & Supplies	177,199	183,600	181,817	203,810	20,210	11.0	21,993	12.1
Real Estate Tax & Property Mngmt Fee	12,500							
Boiler & Elevator Certificate	5,680	6,000	6,000	6,450	450	7.5	450	7.5
Total Other Expenses - Plant	6,040,063	6,774,582	6,894,819	6,531,747	(242,835)	(3.6)	(363,072)	(5.3)
Total Other Expenses	17,884,051	19,492,124	19,532,116	20,049,728	554,044	2.9	517,612	2.7
Student Aid	143,447	135,000	175,000	175,000	40,000	29.6	-	0.0
TOTAL CURRENT OPERATING EXPENSES	120,285,621	125,619,353	124,725,386	125,786,468	167,115	0.1	1,061,082	0.9
Less: Anticipated Lapsed-Budget Salary Dollars		(1,600,000)	(2,000,000)	(1,250,000)	350,000	(21.9)	750,000	(37.5)
Less: Projected Residual Savings			(500,000)		-		500,000	(100.0)
TOTAL REDUCED CURRENT OPERATING EXPENSES	\$120,285,621	\$124,019,353	\$122,225,386	\$124,536,468	\$517,115	0.4	\$2,311,082	1.9

TABLE V

STATEMENT OF CAPITAL REVENUES AND RECOMMENDED EXPENDITURES FOR THE 2012-13 FISCAL YEAR IN COMPARISON TO THE 2011-12 FISCAL YEAR

This table compares capital expenses and revenues for the 2011-12 and 2012-13 years. Capital expenditures for 2012-13 using City funds are budgeted at a level of \$7,386,445. Total State-funded capital allocations are projected to be \$6,329,983.

A total of \$360,000 from out-of-county student capital fees is projected to be available. In addition, \$100,000 of Federal Vocational Education (Perkins) Funds will also be used for capital purchases. At the point in time the budget plan was completed, no decision by State officials on funding levels for non-mandated (discretionary) capital had been made.

College policy requires that capital purchase projects with a unit value of \$50,000 or greater be specifically approved by the Board. Pending final determination of City and State funding levels for the 2012-13 year, a final decision on all capital projects that will be recommended to the Board has not been made.

TABLE V

STATEMENT OF CAPITAL REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR 2012-2013 IN COMPARISON TO FISCAL YEAR 2011-2012

	Approved 2011-12 <u>Budget</u>	Revised 2011-12 <u>Budget</u>	Proposed 2012-13 <u>Budget</u>	Variance from Revised <u>Budget</u>	
CAPITAL REVENUES					
<u>Appropriations</u>					
City of Philadelphia	\$7,612,222	\$7,321,665	7,368,445	\$46,780	
Commonwealth of Pennsylvania	<u>6,327,088</u>	<u>6,327,090</u>	<u>6,329,983</u>	<u>2,893</u>	
Total State & Local Appropriations	<u>13,939,310</u>	<u>13,648,755</u>	<u>13,698,428</u>	<u>49,673</u>	
<u>Other Sources</u>					
Capital Fee	370,000	360,000	360,000	0	
Perkins Grant	100,000	145,000	100,000	(45,000)	
TOTAL SOURCES OF FUNDS	<u>\$14,409,310</u>	<u>\$14,153,755</u>	<u>\$14,158,428</u>	<u>\$4,673</u>	
CAPITAL EXPENDITURES					
<u>Capital Purchases</u>					
Furniture, Equipment, Software & Renovations	\$1,300,000	\$1,105,000	\$1,040,000	(\$65,000)	
Specially Funded Capital Purchases	<u>100,000</u>	<u>145,000</u>	<u>100,000</u>	<u>(45,000)</u>	
Total Capital Purchases	1,400,000	1,250,000	1,140,000	(110,000)	
<u>Debt Service</u>					
NWRC & Main Campus Projects and Center for Business & Industry Building	2007 Bond - Refinancing of 1998 & 2001 Bond	2,891,656	2,891,656	2,894,856	3,200
NERC	1999A Bond - Refinancing of 1994A Bond	1,357,895	1,357,895	1,356,845	(1,050)
Administrative Software System	2003 Bond	828,105	828,105	830,000	1,895
Roofing and Brick Work	2006 Loan	373,413	373,413	379,913	6,500
Northeast Regional Center Expansion and Main Campus Expansion & Renovations	2008 Bond	7,053,833	7,053,833	7,049,513	(4,321)
Northwest Regional Center Chiller, West Building Elevators & Mint Masonry Renewal	2010 Loan	290,402	290,402	290,402	0
West Philadelphia Regional Center Expansion & Outfitting	2011 Loan	214,006	108,451	216,899	108,448
Total Debt Service	13,009,310	12,903,755	13,018,428	6,225	
TOTAL CAPITAL EXPENDITURES	<u>\$14,409,310</u>	<u>\$14,153,755</u>	<u>\$14,158,428</u>	<u>\$4,673</u>	

TABLE VI

STATEMENT OF PROPOSED CURRENT UNRESTRICTED FUND EXPENDITURES BY DEPARTMENT FOR THE JULY 1, 2012 - JUNE 30, 2013 FISCAL YEAR (WITH COMPARISONS TO 2010-11 ACTUALS AND 2011-12 APPROVED AND REVISED BUDGETS)

Current unrestricted expenditures include all "educational and general" expenditures plus expenses associated with auxiliary enterprises.

Table VI shows the 2012-13 operating expenditures by cost center broken down into the two categories of salaries and non-salary expenses. Total expenditures for each cost center are compared to the last two years. In the instructional areas, the revised 2011-12 budget reflects shifts that have been made to full-time salary lines as a result of position vacancies and visiting lecturer hiring during the year. In addition, extended time dollars have been transferred from the Vice President for Academic Affairs budget to the academic departments where the extended time activity occurred.

Expenditures reported in this table do not include contracted business and industry non-credit program expenses. These expenses are a component of the net revenue target set for this activity.

TABLE VI

STATEMENT OF PROPOSED CURRENT UNRESTRICTED FUND EXPENDITURES BY DEPARTMENT
 FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013
 (WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

Department	Total 2010-11 Actual		Total 2011-12 Approved		Total 2011-12 Revised		2012-13 PROPOSED		Variance From 2011-12 Approved		Variance From 2011-12 Revised		
	Total	%	Total	%	Total	%	Salaries	Non-Salary Expenses	Total	%	Total	%	
Educational and General													
Academic Administration													
Office of VP for Academic Affairs	\$1,873,568		\$2,192,083		\$2,030,959		\$1,762,949	\$358,287	\$2,121,236	(\$70,847)	(3.2)	\$90,277	4.4
Staff Development	6,671		7,378		7,378		0	3,900	3,900	(3,478)	(47.1)	(3,478)	(47.1)
Division Office - Business & Technology	1,130,518		1,287,551		1,169,717		1,161,562	57,656	1,219,218	(68,333)	(5.3)	49,501	4.2
Division Office - Math, Science, & Health Careers	391,726		403,300		400,772		374,490	35,000	409,490	6,190	1.5	8,718	2.2
Division Office - Liberal Studies	554,700		535,905		557,424		530,266	10,700	540,966	5,061	0.9	(16,458)	(3.0)
Division Office - Adult Community Education	503,495		537,504		528,476		518,437	9,350	527,787	(9,717)	(1.8)	(689)	(0.1)
Regional Centers	529,136		505,280		505,380		507,529	11,743	519,272	13,992	2.8	13,892	2.7
Total Academic Administration	4,989,816		5,469,001		5,200,106		4,855,232	486,636	5,341,868	(127,133)	(2.3)	141,762	2.7
Academic Support Services													
Library	1,933,821		1,909,973		1,806,534		1,371,353	552,440	1,923,793	13,820	0.7	117,259	6.5
Distance Education	116,500		236,137		236,197		122,786	396,850	519,636	281,439	118.2	281,439	118.2
Audiovisual Services	735,051		806,071		790,602		714,570	73,193	787,763	(18,308)	(2.3)	(2,839)	(0.4)
Educational Support Services	2,749,629		2,892,150		2,943,592		2,690,387	86,914	2,777,901	(114,249)	(4.0)	(165,691)	(5.6)
Academic Advising	741,834		1,013,935		733,110		766,630	5,400	772,030	(241,906)	(23.9)	38,920	5.3
Academic Computing	2,522,344		903,856		927,856		523,901	322,000	845,901	(57,955)	(6.4)	(81,955)	(8.8)
Assessment Center	431,807		408,910		374,158		271,947	100,824	372,771	(36,139)	(8.8)	(1,387)	(0.4)
Center on Disability	371,024		388,042		300,453		177,541	216,110	393,651	5,609	1.4	93,188	31.0
Total Academic Support Services	9,602,010		8,561,074		8,114,512		6,639,715	1,753,731	8,393,446	(167,628)	(2.0)	278,934	3.4
Instructional Departments													
Division of Business & Technology													
Business Administration	1,206,333		1,264,397		1,212,272		1,198,085	900	1,198,985	(65,412)	(5.2)	(13,287)	(1.1)
Computer Technologies	1,780,660		1,605,125		1,673,144		1,728,450	4,200	1,732,650	127,525	7.9	59,506	3.6
Marketing and Management	811,290		848,909		799,072		835,250	775	836,025	(12,884)	(1.5)	36,953	4.6
Office Administration	295,073		285,768		291,412		295,609	0	295,609	9,841	3.4	4,197	1.4
Culinary Arts & Hospitality Management	380,446		495,406		411,311		364,393	65,100	429,493	(65,913)	(13.3)	18,182	4.4
Transportation Technologies Management	269,577		266,872		262,088		250,068	14,775	264,843	(2,029)	(0.8)	2,755	1.1
Total Division	4,743,379		4,766,477		4,649,299		4,671,855	85,750	4,757,605	(8,872)	(0.2)	108,306	2.3

TABLE VI

STATEMENT OF PROPOSED CURRENT UNRESTRICTED FUND EXPENDITURES BY DEPARTMENT
 FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013
 (WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

Department	Total 2010-11 Actual	Total 2011-12 Approved	Total 2011-12 Revised	2012-13 PROPOSED		Variance			
				Salaries	Non-Salary Expenses	Total	Approved	From 2011-12 Revised	%
Division of Math., Science, & Health Technology									
Nursing	1,803,923	1,822,076	1,972,322	1,887,620	98,035	1,985,655	163,579	13,333	0.7
Biology	3,498,733	3,497,878	3,607,282	3,414,297	226,200	3,640,497	142,619	33,215	0.9
Cardio-Respiratory Technology	400,015	375,082	377,878	372,620	9,383	382,003	6,921	4,125	1.1
Dental Studies	700,840	634,873	701,172	626,223	33,930	660,153	25,480	(41,019)	(5.9)
Medical Assisting	177,518	145,561	216,479	128,114	10,850	138,964	(6,597)	(77,515)	(35.8)
Diagnostic Medical Imaging	388,297	336,256	376,079	367,881	9,000	376,881	40,625	802	0.2
Clinical Laboratory Technology	223,151	210,084	221,670	201,065	23,695	224,760	14,676	3,090	1.4
Physics	496,563	490,831	491,336	541,593	3,010	544,603	53,772	53,267	10.8
Chemistry	1,655,136	1,574,477	1,661,826	1,527,591	68,760	1,596,351	21,874	(65,475)	(3.9)
Mathematics	4,138,434	3,905,714	4,105,959	4,082,891	4,350	4,087,241	181,527	(18,718)	(0.5)
Allied Health Instruction	597,529	687,247	646,574	736,450	4,700	741,150	53,903	94,576	14.6
Total Division	14,080,129	13,679,879	14,378,577	13,886,345	491,913	14,378,258	698,379	(319)	(0.0)
Division of Liberal Studies									
English	10,992,324	11,162,477	11,004,430	11,218,528	6,200	11,224,728	62,251	220,298	2.0
Foreign Language	929,284	906,391	863,276	930,845	400	931,245	24,254	77,969	9.1
History, Philosophy & Religious Studies	1,389,200	1,172,089	1,247,771	1,180,116	550	1,180,666	8,567	(67,105)	(5.4)
Art	1,064,359	1,074,903	1,043,940	1,040,390	13,080	1,053,470	(21,433)	9,530	0.9
Photographic Imaging	448,385	504,308	447,107	493,480	20,500	513,980	9,672	66,873	15.0
Music	690,367	685,782	651,475	632,701	3,200	635,901	(49,881)	(15,574)	(2.4)
Architecture, Design & Construction	495,878	486,358	514,882	469,711	4,200	473,911	(12,447)	(40,971)	(8.0)
Behavioral Health/Human Services	791,355	785,522	836,229	796,838	500	797,338	11,816	(38,891)	(4.7)
Social Science	1,841,586	1,566,736	1,507,511	1,447,432	700	1,448,132	(118,604)	(59,379)	(3.9)
Justice	1,819,500	1,852,725	1,827,388	1,809,267	1,200	1,810,467	(42,266)	(16,921)	(1.1)
Paralegal Studies	561,955	506,393	597,334	518,944	870	519,814	13,421	1,430	0.4
ASL/English Interpreting	359,916	376,568	401,335	366,765	36,000	402,765	26,197	5,510	2.2
Education	249,474	245,064	255,780	260,440	850	261,290	16,226	19,163	3.3
	588,191	557,786	582,849	599,887	2,125	602,012	44,226	19,163	3.3
Total Division	22,021,754	21,883,712	21,771,307	21,765,346	90,375	21,855,721	(27,991)	84,414	0.4
Adult Community Education Instruction									
Noncredit Instruction	348,520	372,883	372,883	296,475	83,375	359,850	(13,033)	(13,033)	(3.5)
Total Division	348,520	372,883	372,883	296,475	83,375	359,850	(13,033)	(13,033)	(3.5)
Total all Instructional Departments	41,193,781	40,702,951	41,172,066	40,620,021	731,413	41,351,434	648,483	179,368	0.4
TOTAL ACADEMIC AFFAIRS	55,785,607	54,733,026	54,486,684	52,114,968	2,971,780	55,086,748	353,722	600,064	1.1

TABLE VI

STATEMENT OF PROPOSED CURRENT UNRESTRICTED FUND EXPENDITURES BY DEPARTMENT
 FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013
 (WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

Department	Total		2011-12		2012-13 PROPOSED		Variance			
	2010-11 Actual	2011-12 Approved	2011-12 Revised	Total	Salaries	Non-Salary Expenses	Total	Approved	From 2011-12 Revised	%
Student Administration	405,793	428,359	398,785	426,418	384,998	41,420	426,418	(1,941)	27,633	(0.6)
Office of VP for Student Affairs	264,110	281,018	282,018	280,035	262,466	17,569	280,035	(983)	(1,983)	(0.7)
Dean of Enrollment Services	229,447	251,076	244,633	253,073	238,652	14,221	253,073	1,997	8,440	3.5
Dean of Students	899,290	960,453	925,436	959,526	886,316	73,210	959,526	(927)	34,090	3.7
Student Support Services	1,188,102	1,207,438	1,202,348	1,243,981	1,165,567	78,414	1,243,981	36,543	41,633	3.5
Admissions	1,464,065	1,553,334	1,522,408	1,539,932	1,524,428	15,504	1,539,932	(13,402)	17,524	1.3
Financial Aid	2,861,536	2,865,474	2,877,736	2,849,583	2,838,708	10,875	2,849,583	(15,891)	(28,153)	(1.0)
Counseling	54,561	6,573	6,573	3,073	0	3,073	3,073	(3,500)	(3,500)	(53.2)
Office of Student Activities	55,137	53,351	53,351	53,227	52,415	812	53,227	(124)	(124)	(0.2)
Office of Athletics	1,298,835	1,329,364	1,325,117	1,315,231	1,290,101	25,130	1,315,231	(14,134)	(9,887)	(0.7)
Records and Registration	78,385	82,146	82,146	82,951	81,003	1,948	82,951	805	805	1.0
Women's Center	150,482	151,220	151,745	153,716	148,216	5,500	153,716	2,496	1,971	1.3
Career Services	7,151,104	7,248,900	7,221,424	7,241,693	7,100,437	141,256	7,241,693	(7,207)	20,269	0.3
Total Student Support Services	8,050,395	8,209,353	8,146,860	8,201,220	7,986,754	214,466	8,201,220	(8,133)	54,360	0.7
TOTAL STUDENT AFFAIRS	15,629	23,528	35,128	22,800	0	22,800	22,800	(728)	(12,328)	(1.1)
General Institutional	1,471,688	1,077,952	1,115,990	1,051,484	524,964	526,500	1,051,484	(26,488)	(64,526)	(4.3)
Board of Trustees	1,578,693	1,601,311	1,493,790	1,478,246	1,231,612	246,634	1,478,246	(123,065)	(15,544)	(1.0)
Office of the President	218,639	213,669	213,669	213,892	193,269	20,623	213,892	223	223	0.1
Human Resources	1,156,230	1,171,761	1,171,761	1,247,157	1,064,157	183,000	1,247,157	75,396	75,396	6.4
Diversity and Equity Office	1,716,251	1,456,414	1,440,864	1,389,415	0	1,389,415	1,389,415	(66,999)	(51,449)	(3.6)
Institutional Advancement	1,332,305	1,343,032	1,340,025	1,329,349	1,092,319	237,030	1,329,349	(13,683)	(10,676)	(0.8)
Office of Communications	4,462,668	7,228,149	7,057,103	7,463,600	3,047,443	4,416,157	7,463,600	235,451	406,497	5.8
Marketing and Government Relations	687,754	982,937	907,937	1,071,796	705,731	366,065	1,071,796	88,859	163,859	18.0
Information Technology Services	1,747,760	1,893,747	1,832,466	1,821,819	1,731,319	90,500	1,821,819	(71,928)	(10,647)	(0.6)
Planning and Finance	200,547	259,047	244,426	246,193	227,243	18,950	246,193	(12,854)	1,767	0.7
Controllers Office	694,771	680,747	810,761	675,642	102,892	572,750	675,642	(5,105)	(135,119)	(16.7)
Purchasing and Services	1,639,647	1,697,758	1,648,002	1,473,291	533,665	939,606	1,473,291	(224,468)	(174,712)	(10.6)
General Institutional Expense	16,622,582	19,630,052	19,311,922	19,484,663	10,454,633	9,030,030	19,484,663	(145,389)	172,741	0.9
Business Services	10,307,689	11,409,496	11,378,504	10,907,213	3,623,764	7,283,449	10,907,213	(502,283)	(471,291)	(4.1)
TOTAL GENERAL INSTITUTIONAL	16,622,582	19,630,052	19,311,922	19,484,663	10,454,633	9,030,030	19,484,663	(145,389)	172,741	0.9
FACILITIES OPERATIONS	10,307,689	11,409,496	11,378,504	10,907,213	3,623,764	7,283,449	10,907,213	(502,283)	(471,291)	(4.1)

TABLE VI

STATEMENT OF PROPOSED CURRENT UNRESTRICTED FUND EXPENDITURES BY DEPARTMENT
 FOR THE FISCAL YEAR JULY 1, 2012 - JUNE 30, 2013
 (WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)

Department	Total 2010-11 Actual	Total 2011-12 Approved	Total 2011-12 Revised	2012-13 PROPOSED		Total	Variance			
				Salaries	Non-Salary Expenses		Approved	From 2011-12 Revised	%	
STAFF BENEFITS & EARLY RETIREMENT INCENTIVE PAYMENTS	29,375,902	31,002,426	29,928,861	450,000	30,981,625	31,381,625	379,199	1.2	1,452,764	4.9
CONTINGENCY		500,000	364,540		550,000	550,000	50,000	10.0	185,460	50.9
STUDENT AID	143,447	135,000	175,000			175,000				
LAPSED SALARY ACCOUNTS			933,015							
TOTAL CURRENT OPERATING EXPENSES	120,285,621	125,619,353	124,725,386	74,630,118	50,981,350	125,786,468	127,115	0.1	1,994,097	1.6
LESS: Anticipated Lapsed-Budget Dollars		(1,600,000)	(2,000,000)	(1,250,000)		(1,250,000)	0		500,000	(100.0)
LESS: Projected Residual Savings			(500,000)							
TOTAL REDUCED CURRENT OPERATING EXPENSES	120,285,621	124,019,353	122,225,386	73,380,118	50,981,350	124,536,468	127,115	0.1	2,494,097	2.0
Other Expenses										
Student Activities & Commencement	2,552,996	2,405,822	2,405,822		2,418,458	2,418,458	12,636	0.5	12,636	0.5
Auxiliary Enterprises										
Bookstore	63,197	59,988	66,651	22,521	44,709	67,230	7,232	12.1	579	0.9
Food Service	237,740	228,009	238,015	77,714	141,295	219,009	(9,000)	(3.9)	(19,006)	(8.0)
Parking Lot & Garage	51,644	55,000	50,340	0	51,200	51,200	(3,800)	0.0	860	1.7
Total Auxiliary Enterprises	352,581	343,007	355,006	100,235	237,204	337,439	(5,568)	(1.6)	(17,567)	(4.9)
TOTAL EXPENSES	\$123,191,198	\$127,006,348	\$124,986,214	\$73,480,353	\$53,637,012	\$127,292,365	\$286,017	0.2	\$2,306,151	1.8

TABLES VII-A AND VII-B

2012-13 STUDENT ACTIVITIES, ATHLETICS, AND COMMENCEMENT BUDGET (WITH COMPARISONS TO 2010-11 AND 2011-12 FISCAL YEARS)

The following two tables present the Student Activities, Athletics, and Commencement budget for 2012-13. Table VIIA provides an overview of projected revenues and expenses. Table VIIB provides detail on the budget by expense category. These expenses are funded by the General College Fee, graduation fee, student activity-generated revenues, and net profits from the bookstore and food service operations.

Included within the expense budget for student activities are a total of 5 administrative positions and 6 classified positions. The administrative positions include the Assistant Dean of Students and Director of Student Life, Assistant Director of Student Life for Student Leadership and Involvement, Assistant Director of Student Life for Student Programming, Director of Athletics, and Assistant Director of Athletics. The six classified positions support clubs and organizations, the Fitness Center, the Office of Student Life, and the Office of Athletics.

TABLE VII-A

**STUDENT ACTIVITIES, ATHLETICS & COMMENCEMENT BUDGET FOR THE FISCAL YEAR 2012-13
(WITH COMPARISON TO FISCAL YEARS 2010-11 AND 2011-12)**

	2010-11 <u>Actual</u>	Approved 2011-2012 <u>Budget</u>	Revised 2011-2012 <u>Budget</u>	Proposed 2012-2013 <u>Budget</u>	Variance From 2011-12 Revised <u>Budget</u>	% Change From 2011-12 <u>Revised</u>
REVENUES						
General College Fee	\$1,605,308	\$1,638,254	1,583,232	\$1,536,697	(\$46,535)	(2.9)
Graduation Fees	53,280	57,000	53,300	57,000	3,700	6.9
Auxiliary Profits	593,017	545,568	636,334	659,761	23,427	3.7
Revenues from Activities	<u>178,520</u>	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>	<u>0</u>	<u>0.0</u>
TOTAL REVENUES	<u>\$2,430,125</u>	<u>\$2,405,822</u>	<u>\$2,437,866</u>	<u>\$2,418,458</u>	<u>(\$19,408)</u>	<u>(0.8)</u>
EXPENDITURES						
Student Publications	\$87,786	\$90,063	\$90,063	\$90,346	\$283	0.3
Campus Programming	269,004	125,000	116,631	125,209	8,578	7.4
Performing Arts	25,968	29,000	29,000	29,500	500	1.7
Student Support	230,020	161,410	173,310	161,500	(11,810)	(6.8)
Student Leadership & Involvement	215,317	135,095	135,564	135,519	(45)	(0.0)
Athletics	343,468	315,222	330,683	316,211	(14,472)	(4.4)
Contingency	0	45,032	25,571	45,173	19,602	76.7
First Year Student Success	132,135	180,000	180,000	180,000	0	0.0
Childcare Support	0	6,000	6,000	6,000	0	0.0
Commencement	150,292	145,000	145,000	145,000	0	0.0
Renovation Projects	2,021					
Staff	1,096,985	1,174,000	1,174,000	1,184,000	10,000	0.9
TOTAL EXPENDITURES	<u>\$2,552,996</u>	<u>\$2,405,822</u>	<u>\$2,405,822</u>	<u>\$2,418,458</u>	<u>\$12,636</u>	<u>0.5</u>

TABLE VIII

SUMMARY OF REVENUES AND EXPENSES OF BOOKSTORE, FOOD SERVICE OPERATIONS, AND PARKING OPERATIONS (FOR THE 2012-13 FISCAL YEAR COMPARED WITH 2010-11 AND 2011-12 FISCAL YEARS)

This table provides detail on projected revenues and expenses for the College's bookstore, food service operations, and parking operations. Bookstore commissions are projected to be stable in 2012-13 based upon Barnes and Noble's commission schedule and projected sales.

The College is currently in the fourth year of a contract with the Compass Group for the management of the College's manual, catering and vending operations. The contract commenced on August 21, 2008 and will conclude August 21, 2012. A request for proposal process to award a new contract was initiated in April 2012 with the expectation that the new contract will be effective as of August 21, 2012. Because the College charges the food service account with the costs of two housekeeping employees, and a prorated portion of the College's contract cleaning and utility costs, the food service account has always operated with a loss.

TABLE VIII

**SUMMARY OF REVENUES AND EXPENSES OF BOOKSTORE, FOOD SERVICE, AND PARKING LOTS
FOR THE FISCAL YEAR 2012-13 COMPARED WITH FISCAL YEARS 2011-12 AND 2010-11**

	2010-2011 Actual	Approved 2011-12 Budget	Revised 2011-12 Budget	Proposed 2012-13 Budget	Variance From Revised Budget	% Change From 2011-2012 Revised
<u>Bookstore</u>						
Commissions	\$800,541	\$775,200	\$880,000	\$880,000	\$0	0.0
Operating Expenses:						
Salaries	\$21,684	\$21,684	\$22,188	\$22,521	\$333	1.5
Fringe Benefits	8,745	10,842	12,463	13,709	1,246	10.0
Utilities	21,131	22,472	22,000	22,000	0	0.0
Other	11,637	5,000	10,000	\$9,000	(1,000)	(10.0)
Total Operating Expenses	\$63,197	\$59,998	\$66,651	\$67,230	579	0.9
Net Income - Bookstore	\$737,344	\$715,202	\$813,349	\$812,770	(\$579)	(0.1)
<u>Food Service</u>						
Commissions	\$57,502	\$58,375	\$61,000	\$66,000	\$5,000	8.2
Operating Expenses:						
Salaries	\$78,860	\$78,599	\$76,566	\$77,714	\$1,148	1.5
Fringe Benefits	40,876	39,300	44,965	49,461	4,496	10.0
Utilities	44,061	46,855	45,382	46,743	1,361	3.0
Other	73,943	63,255	71,102	45,091	(26,011)	(36.6)
	\$237,740	\$228,009	\$238,015	\$219,009	(19,006)	(8.0)
Net Loss - Food Service	(\$180,237)	(\$169,634)	(\$177,015)	(\$153,009)	\$24,006	(13.6)
<u>Parking Lots & CBI Garage</u>						
Revenues	\$214,218	\$232,166	\$238,500	\$242,000	\$3,500	1.5
Operating Expenses	\$51,644	\$55,000	\$50,340	\$51,200	\$860	1.7
Net Income - Lot & CBI Garage	\$162,574	\$177,166	\$188,160	\$190,800	\$2,640	1.4
<u>Main Parking Garage</u>						
Net Income - Parking Garage	\$100,566	\$116,000	\$115,000	\$115,000	\$0	0.0
Total Net Income from Bookstore, Food Service and Parking Lot & Garage	\$820,246	\$838,734	\$939,494	\$965,561	\$26,067	2.8

TABLES IX-A AND IX-B

FINAL 2010-11 ENROLLMENTS, CURRENT 2011-12 FTE STUDENT ENROLLMENT ESTIMATES, AND 2012-13 ENROLLMENT PROJECTIONS USED TO PREPARE THE 2012-13 BUDGET

The data in these tables provide the enrollment projections used to prepare the 2012-13 budget. As a point of comparison, final 2010-11 enrollments and current projections for 2011-12 are shown. Spring, 2012 non-credit and Summer I, 2012 enrollments are estimates based upon incomplete enrollment data as of the date of the budget's preparation. Based upon recent enrollment patterns, it is assumed that 505 credit FTEs will be out of State and 500 credit FTEs out-of-county but in-State. As outlined in the earlier budget narrative, credit enrollment FTEs budgeted for 2012-13 are 2.6 percent less than projected for the 2011-12 year. Major factors leading to this projected decline in enrollments include changes in Pell eligibility standards and gradual improvements in the local economy creating employment opportunities for some potential part-time students.

The non-credit FTE projection has been broken into three categories: Adult Education (which includes GED, adult literacy, and English-as-a-Second Language), Workforce Development (which includes all contracted education programs for Philadelphia employers as well as occupational education), and "Other" (which includes general interest non-credit categories).

TABLE IX - A

2012-13 FTE ENROLLMENT PROJECTIONS
WITH COMPARISON TO 2011-12 BUDGETED AND ESTIMATED ENROLLMENTS
(BY SEMESTER)

Term and Student Type	2010-11 Final Enrollments	2011-12 FTE Projections ⁽¹⁾	2012-13 Budgeted Enrollments
Summer II--Credit			
On-Campus Credit Total	1,498	1,558	1,388
Regional Centers	369	420	404
Other Off-Campus Credit	54	13	32
Duplicated FTE Adjustment	0	-15	0
Off-Campus Credit Total	<u>423</u>	<u>418</u>	<u>436</u>
Total Credit	<u>1,921</u>	<u>1,976</u>	<u>1,824</u>
Summer II--Non-Credit			
GED/ESL/ABE	0	0	0
Work Force Development	37	33	35
Other	62	48	45
Total Non-Credit	99	81	80
Total--Summer II	<u>2,020</u>	<u>2,057</u>	<u>1,904</u>
Fall--Credit			
On-Campus Credit Total	10,494	10,402	10,101
Regional Centers	2,760	2,833	2,995
Other Off-Campus Credit	414	341	105
Duplicated FTE Adjustment	-119	-115	-114
Off-Campus Credit Total	<u>3,055</u>	<u>3,059</u>	<u>2,986</u>
Total Credit	<u>13,549</u>	<u>13,461</u>	<u>13,087</u>
Fall--Non-Credit			
GED/ESL/ABE	303	318	374
Work Force Development	162	168	165
Other	380	275	75
Total Non-Credit	845	761	614
Total--Fall	<u>14,394</u>	<u>14,222</u>	<u>13,701</u>

(1) As of May 1, 2012

TABLE IX - A

2012-13 FTE ENROLLMENT PROJECTIONS
WITH COMPARISON TO 2011-12 BUDGETED AND ESTIMATED ENROLLMENTS
(BY SEMESTER)

Term and Student Type	2010-11 Final Enrollments	2011-12 FTE Projections ⁽¹⁾	2012-13 Budgeted Enrollments
Spring--Credit			
On-Campus Credit Total	10,475	10,235	10,088
Regional Centers	2,887	2,938	3,035
Other Off-Campus Credit	462	341	151
Duplicated FTE Adjustment	-120	-77	-117
Off-Campus Credit Total	3,229	3,202	3,069
Total Credit	<u>13,704</u>	<u>13,437</u>	<u>13,157</u>
Spring--Non-Credit			
GED/ESL/ABE	315	323	374
Work Force Development	160	135	150
Other	304	200	70
Total Non-Credit	779	658	594
Total--Spring	<u>14,483</u>	<u>14,095</u>	<u>13,751</u>
Summer I--Credit			
On-Campus Credit Total	2,308	2,130	2,104
Regional Centers	610	650	648
Other Off-Campus Credit	84	70	72
Duplicated FTE Adjustment	0	0	0
Off-Campus Credit Total	694	720	720
Total Credit	<u>3,002</u>	<u>2,850</u>	<u>2,824</u>
Summer I--Non-Credit			
GED/ESL/ABE	168	0	100
Work Force Development	27	6	10
Other	92	54	50
Total Non-Credit	287	60	160
Total Summer I	<u>3,289</u>	<u>2,910</u>	<u>2,984</u>

(1) As of May 1, 2012

TABLE IX - B

2012-13 FTE ENROLLMENT PROJECTIONS
WITH COMPARISON TO 2011-12 BUDGETED AND ESTIMATED ENROLLMENTS
(TOTAL FOR YEAR)

Term and Student Type	2010-11 Final Enrollments	2011-12 FTE Projections ⁽¹⁾	2012-13 Budgeted Enrollments
Annual FTE Totals			
Credit FTE	16,088	15,862	15,450
Non-Credit FTE	1,005	780	724
All Students FTE	17,093	16,642	16,174
On-Campus Credit FTE	12,388	12,163	11,841
Off-Campus Credit FTE	3,701	3,700	3,606
Non-Credit FTE	1,005	780	724
TOTAL--CREDIT	17,093	16,642	16,170
GED/ESL/ABE	393	321	424
Workforce Development	193	171	180
Other	419	289	120
TOTAL--NON-CREDIT	1,005	781	724

(1) As of May 1, 2012

TABLE X

FTE PROGRAM ENROLLMENT PROJECTIONS FISCAL YEARS 2011, 2012 AND 2013

This table provides enrollment projections at the program level which tie into the College's overall credit enrollment projection. The enrollment declines projected in some program areas reflect the decline in enrollments which is projected for the 2012-13 year. Enrollment projections in the education programs have been structured to reflect the new educational program requirements that were in place to address the recently-revised State requirements for teacher education programs.

Programs with no enrollment projections shown are those which have recently been phased out. They remain as active programs for the College until all students who started in one of these programs have graduated or left the College. As such, it is possible that some of these programs will have some enrollments during the 2013 fiscal year.

TABLE X
2012-13 FTE PROGRAM ENROLLMENT PROJECTIONS

	2010-11 FTE Enrollments	Projected 2011-12 FTEs	Budgeted 2012-13 FTEs
ACCOUNTING	319	302	350
BUSINESS TRANSFER	899	772	800
BUSINESS ADMINISTRATION (AACSB Transfer Program)	493	720	750
COMPUTER SCIENCE	48	40	50
CULINARY ARTS	126	145	160
DATA PROCESSING	1	0	0
DATA PROCESSING - BUSINESS PROGRAMMING	1	1	0
COMPUTER INFO SYSTEM - PROGRAMMING	33	14	0
COMPUTER INFO SYSTEM - PC APPLICATIONS	11	5	0
COMPUTER INFO SYSTEM - LAN	6	0	0
COMPUTER INFO SYSTEM - NETWORK ADMIN	6	4	0
COMPUTER INFO SYSTEM - INFORMATION TECHNOLOGY	289	278	310
COMPUTER INFO SYSTEM - INTERNET OPERATIONS	2	1	0
COMPUTER INFO SYSTEM - WEBSITE DEVELOPMENT	3	0	0
MANAGEMENT OF COMPUTER INFORMATION TECHNOLOGY	20	0	25
FINANCE	68	49	40
HOTEL RESTAURANT MANAGEMENT	105	127	135
MANAGEMENT	196	105	80
MANAGEMENT CERTIFICATE	11	5	0
MARKETING CERTIFICATE	3	0	0
MARKETING MANAGEMENT	67	32	25
OFFICE TECHNOLOGY	0	0	0
REAL ESTATE MANAGEMENT	0	0	0
SUBTOTAL	2707	2600	2725
APPLIED SCIENCE AND ENGINEERING TECHNOLOGY	15	27	35
AUTOMOTIVE TECHNOLOGY	79	82	90
AUTOMOTIVE MANAGEMENT AND MARKETING	7	14	15
SUBTOTAL	101	123	140
DIVISION TOTAL	2808	2723	2865
CLINICAL LABORATORY TECHNOLOGY	44	41	45
DENTAL HYGIENIST	66	58	60
DIAGNOSTIC MEDICAL IMAGING	45	44	45
HEALTH INFORMATION TECHNOLOGY	2	0	0
HEALTH SERVICES MANAGEMENT	114	130	140
MEDICAL ASSISTING	22	35	35
NURSING	212	210	215
PATIENT SERVICE REPRESENTATIVE	20	24	25
RESPIRATORY CARE	44	46	45
ENGINEERING SCIENCE	93	90	95
CHEMICAL TECHNOLOGY	41	40	40
DIVISION TOTAL	703	718	745

TABLE X

2012-13 FTE PROGRAM ENROLLMENT PROJECTIONS

	2010-11 FTE Enrollments	Projected 2011-12 FTEs	Budgeted 2012-13 FTEs
FIRE SCIENCE	32	26	30
ARCHITECTURAL & INTERIOR DESIGN	65	60	65
BUILDING SCIENCE	0	0	15
COMPUTER-ASSISTED DESIGN	84	93	95
CONSTRUCTION TECHNOLOGY	43	56	60
FACILITY MANAGEMENT	18	23	25
ART	113	101	105
ART - PHOTOGRAPHY OPTION	1	0	0
CREATIVE WRITING	23	24	25
ENERGY CERTIFICATE	0	0	10
INTERNATIONAL STUDIES	44	55	60
MASS COMMUNICATIONS	0	36	40
MUSIC - PERFORMANCE OPTION	38	25	30
MUSIC - NON-PERFORMANCE OPTION	60	31	35
PHOTOGRAPHY	52	53	55
SOUND RECORDING AND MUSIC TECHNOLOGY	41	46	50
SPEECH COMMUNICATION	184	105	110
THEATER ARTS	97	65	65
SUBTOTAL	896	799	875
ADDICTION STUDIES CERTIFICATE	4	5	5
BEHAVIORAL HEALTH/SOCIAL SCIENCE	433	471	500
DISABILITY CERTIFICATE	1	2	5
GEOGRAPHIC INFORMATION SYSTEMS	9	8	10
HUMAN SERVICES CERTIFICATE	8	6	10
JUSTICE	225	409	400
CRIMINAL JUSTICE CERTIFICATE	1	12	10
EDUCATION (Early Childhood Education)	0	220	110
EDUCATION (Elementary Education)	0	178	90
EDUCATION (Birth to Fourth Grade)	404	259	260
EDUCATION (Fourth to Eighth Grade, Secondary)	561	70	70
EDUCATION (Secondary Humanities/Citizenship Education)	0	104	100
EDUCATION (Secondary Math/Science)	0	61	60
PARALEGAL	111	88	85
PSYCHOLOGY	0	176	180
SOCIAL GERONTOLOGY	1	0	0
YOUTH WORK CERTIFICATE	17	14	10
COMPUTER FORENSICS	92	95	100
SUBTOTAL	1867	2178	2005
ASL/ENGLISH INTERPRETING	19	26	25
SUBTOTAL	19	26	25
DIVISION TOTAL	2781	3003	2905
CULTURE, SCIENCE & TECHNOLOGY	4687	4695	4700
ASSOCIATE IN SCIENCE	198	182	180
ASSOCIATE IN ARTS	14	9	0
ASSOCIATE IN LIBERAL ARTS	4165	3860	3440
LIBERAL ARTS -- Options	680	640	600
APPLIED STUDIES	25	14	15
GENERAL STUDIES	27	18	0
SUBTOTAL	9796	9418	8935
TOTAL - CREDIT FTEs	16088	15862	15450
TOTAL - NONCREDIT FTEs	1005	780	724
TOTAL - ALL FTEs	17093	16642	16174