

**MEETING OF THE BUSINESS AFFAIRS COMMITTEE  
OF THE BOARD OF TRUSTEES  
Community College of Philadelphia  
Wednesday, September 25, 2013 – 9:00 A.M.**

Present: Mr. Jeremiah White, presiding; Ms. Suzanne Biemiller, Stella Tsai, Esq., Dr. Judith Gay, Dr. Thomas R. Hawk, Mr. Gary Bixby, Dr. Mary Anne Celenza, Mr. Todd E. Murphy, Mr. James P. Spiewak, and Jill Weitz, Esq.

**AGENDA – PUBLIC SESSION**

**(1) 2012-13 Final Budget Results (Information Item):**

Staff provided an overview of the College's budget results for fiscal year 2012-13. The College began the year with a potential use of prior-years' carry-over funds in the amount of \$1,950,773 in the Board-adopted budget. After the budget was approved, the final State budget provided \$1.15 million more in State funding than assumed in the approved 2012-13 budget plan. In addition to improved State funding, tight budget management throughout the year resulted in savings in key areas such as salaries, postage and utilities. While credit enrollments were 2 percent less than projected in the original 2012-13 budget, the negative student revenue impact of lower-than-budgeted enrollments was largely offset by reduced expenditures on full and part-time employee salaries. As a result of the combined impacts of revenue and expense changes from budgeted levels, the fiscal year ended with an operating budget surplus of \$1,111,409. Attachment A provides a detailed summary of changes which occurred in major revenue and expense categories.

Mr. Spiewak noted that, while the budget had been managed tightly, the great majority of the 2012-13 budget objectives as outlined in the 2012-13 College Budget (pages 8-19) were achieved (<http://www.ccp.edu/vpfin-pl/2012-13CollegeBudget.pdf>). Examples of key accomplishments include:

- Completion of the MSA Self Study design
- Full implementation of Canvas and DegreeWorks
- Conversion of ten general purpose classrooms to smart board technology
- Redesign of the College Home Page
- Significant new program and course development and major revisions to existing programs and courses
- Continuation of efforts to strengthen the College's approaches to delivery of developmental education.
- Redesign of budget procedures to ensure a tighter integration of budget planning with strategic and divisional planning efforts
- Completion of architectural planning for current West Building projects
- Construction of new administrative and instructional space in the West Building
- Completion of a Landscape Master Plan and initiation of planning efforts to create a new Facility Master Plan
- Agreement on a new five year collective bargaining agreement

- Implementation of a wide range of enhanced student services in the Enrollment Services and Bursar areas
- Implementation of a new document imaging system in Enrollment Services
- Technology enhancements in the delivery of the College's Business Services.

**(2) Construction Bid Awards for West Building Projects (Action Item):**

Discussion: A construction bid process has been completed for the current West Building chemistry lab renewal and new lab development projects. These projects were approved by the Board at the November 1, 2012 and February 7, 2013 meetings. The bids received are for the renovation of all chemistry and lab prep areas as well as the creation of two new labs in the former Architecture Programs' instructional areas. The two new labs are multi-functional and will support a range of course offerings in the biochemistry and engineering technology program areas. Included in the Chemistry Lab renewal component of the project will be the creation of a research lab for students and staff to engage in independent research projects in biology and chemistry. Dr. Gay emphasized that creating opportunities for students to engage in research is a critical direction in undergraduate science education. Access to this research opportunity will greatly strengthen students' abilities to succeed upon transfer and in the workplace.

Dr. Celenza provided an overview of several new curricular directions and innovations that will be supported by the redesigned and expanded labs. A \$600,000 grant has been received from the U.S. Department of Education to support science student persistence and success at various stages in their academic career at the College from the time of entry into the College through to the point of transfer. Dr. Celenza described a range of current and future program initiatives that will be enabled by the new biochemistry and engineering technology labs. A new program that will initially utilize the new engineering technologies lab is Biomedical Equipment Repair Technician. This is a rapidly growing occupation and a program that complements the College's current Allied Health Programs. The Committee discussed the strategies used by the College to determine market demand for new programs. Staff responded that career program advisory committees are one of the key strategies used to understand emerging labor force requirements. This is complemented by a variety of labor market informational tools available to the College.

Committee members asked what factors are used to determine the enrollment levels established for programs. Staff commented on a range of considerations including: ability to attract qualified student enrollments; laboratory capacity; ability of clinical and internship locations; ability of the labor market to absorb new graduates; and financial capacity of the College. Dr. Hawk noted that the College has maintained a very effective full program costing approach which supports long-term financial planning that helps to ensure that a financially feasible mix of programs and student enrollments by program area is maintained. Higher cost program and discipline enrollments have to be balanced by lower cost programs and discipline enrollments. Allied Health programs typically cost two or three times more per student to offer than most liberal arts and business programs. Viable long-term financial planning requires that a balance of higher and lower costs programs be maintained.

Ms. Biemiller asked what were the key factors which caused programs and disciplines to be high cost. Mr. Spiewak responded that many factors were involved: laboratory station numbers and safety constraints, number of teacher contact hours per credit hour taught, clinical supervision requirements, laboratory support staff and material costs, and specialized accreditation requirements which often set absolute standards in areas such as the number of students per faculty member. In general, nursing, allied health, science and technology programs and disciplines are the most expensive to offer. Ms. Biemiller asked if differential tuition was charged for higher cost programs. Dr. Hawk stated that this had been a longstanding institutional issue at the Board level. Based upon the Institutional Mission goal to provide access to educational opportunity, a longstanding Board policy was that all programs should be priced in the same way to ensure that access to strong career-opportunity programs like Nursing and Dental Hygiene was not impeded for lower-income individuals. In 2004 with full Board support, course fees were introduced for the first time for courses whose instructional requirements create institutional expense levels beyond those incurred in a standard three credit course. Course fees, when charged, now range between \$75 and \$300 per credit. The course fees are an important source of revenue, but only cover a portion of the additional cost associated with the higher cost courses.

Staff noted that, as was true for the Architectural Programs' labs and classrooms completed in Summer 2013, the new and renovated labs are being designed in a manner that allows them to be easily adapted to meet the needs of changing program needs in the future.

Mr. Bixby explained that bids for the laboratory project were solicited in the following four areas: Electrical, General Trades, Plumbing and Mechanical. A total of 16 bids were received. Bid results are summarized below. The lowest bidder is bolded. Projected minority and women-owned business participation is 40.6 percent.

	Amount	Projected W/M/DBE Participation
<b>General Trades</b>		
<b>Bedwell Company</b>	<b>\$1,138,600</b>	<b>\$701,000</b>
Bristol Industrial Corporation	\$1,388,000	
Columbus Construction, LLC	\$1,357,394	
Ernest Bock & Sons, Inc.	\$1,359,300	
Murphy Quigley Co., Inc.	\$1,583,500	
Perryman Building & Construction	\$1,438,000	
Smith Construction	\$1,204,000	
TE Construction Services	\$1,823,885	
<b>Plumbing/Fire Protection</b>		
<b>Dolan Mechanical, Inc.</b>	<b>\$437,000</b>	<b>\$109,000</b>
Edward J. Meloney, Inc.	\$778,200	
Tandem Associates	\$480,400	
<b>Mechanical/HVAC</b>		
<b>Edward J. Meloney, Inc.</b>	<b>\$644,000</b>	<b>\$161,000</b>
<b>Electrical</b>		
E.J. Electric, Inc.	\$573,500	
McGoldrick Electric, Inc.	\$442,500	
<b>Mulhern Electric Co., Inc.</b>	<b>\$422,418</b>	<b>\$105,000</b>
Wescott Electric Co.	\$483,000	
<b>TOTAL Award</b>	<b>\$2,642,018</b>	<b>\$1,075,000 (40.6%)</b>

Staff reviewed the steps that were taken to develop minority firm participation in the construction project. Ms. Biemiller noted that it was important minority participation go beyond serving as a non-stocking supplier. Mr. Bixby responded that all of the minority business contractors will be actively engaged in the construction effort. Committee members emphasized the importance of minority primes involved in College construction projects. Staff noted that this had been an institutional priority for many years and reviewed the disappointing results from bidding with 31 prime contracts in the recent Main Campus projects. The use of a large number of prime contracts in the bid packages was done to reduce the scale of effort required and make it easier for smaller firms to bid. Of the 31 prime contracts, 4 prime contracts were awarded to minority-owned firms and 3 went to women-owned firms. Dr. Hawk noted that legally the College must award to the lowest qualified bidder. One initial success was Apex Electric, a prime minority contractor who received 3.5 million dollars for the electrical components of the Main Campus construction. Unfortunately, despite strong technical

competency, financial management issues for Apex resulted in their recent move into bankruptcy. Dr. Gay noted that institutional efforts like the Northeast Regional Center Small Business Center and the *10,000 Small Businesses* Program are intended to help firms like Apex develop the comprehensive skill sets needed to manage a small business. The *10,000 Small Businesses* Program may prove to be a promising resource for identifying future construction contractors for the College.

Action: Ms. Tsai moved and Ms. Biemiller seconded the motion that the Committee recommend to the full Board that contracts be awarded to the lowest bidders in the four bid areas for a total bid award amount of \$2,642,018 for the completion of the West Building Science Lab Renewal and Development Projects. The motion passed unanimously.

**(3) Presentation of Landscape Vision Plan and Change Order for Next Phase of Bonnell and Pavilion Buildings Landscaping (Action Item):**

Discussion: As part of ongoing efforts to complete the Main Campus construction projects, a full re-landscaping of the exterior campus areas between the Bonnell Building and Athletic Center is required. The original landscaping on both sides of 17<sup>th</sup> Street had to be demolished in order to accommodate the new construction. Anthony Biddle Contractors, Inc. provided the successful low bid for landscaping at the time the Main Campus construction project was bid. However, the work on restoring the landscaping was deferred until a comprehensive campus-wide landscape plan could be developed.

During the 2012-13 year, College staff collaborated with Stantec Architects to develop a Landscape Vision Plan. The Vision Plan was created with broad-based input from faculty, students, staff, the Campus Tree Committee, and community representatives from the Viaduct Greene and Spring Garden Street Greenway initiatives. Strong City support for the planning effort was provided from both the Streets Department and Philadelphia Water Department. This support was evidenced by the receipt of a grant from the Philadelphia Water Department in the amount of \$260,000 to support aspects of the landscaping effort.

The ongoing landscaping effort addresses key institutional goals in the following areas: storm water management, maximizing the quality of outdoor space available for student use, controlling traffic patterns and increasing pedestrian safety on 17<sup>th</sup> Street, enhanced campus security through improved camera and lighting systems, and supporting the goals of the Campus Tree Committee to demonstrate best tree planting and management practices in an urban environment. The 2013 Landscape Vision Plan reflects the College's strong commitment to sustainable design principles. The Vision Plan is available on-line at <http://www.ccp.edu/myccp/2013LandscapeVisionPlan.pdf>.

The next phase of the landscape restoration effort will be the completion of landscaping in the Bonnell Plaza area on the east side of 17<sup>th</sup> Street and in the sidewalk areas on both sides of 17<sup>th</sup> Street from the Winnet Building to Spring Garden Street. Section 10 of the Landscape Vision Plan, pages 40-44, provides images of the intended landscaping for these areas.

Approval of a change order in the amount of \$329,240 to Anthony Biddle Contractors, Inc. was recommended by staff to complete this phase of the landscaping effort. Within the change order, expenditures will occur in the following categories:

<b>Site Lighting</b>	
Excavate for conduits and install light bases.	\$ 31,700.00
Install conduits from base to base.	\$ 17,300.00
<b>Landscaping Hardscaping (MBE)</b>	
Bonnell side interior plantings.	\$ 40,300.00
Raking seeding green areas.	\$ 9,470.00
Lower Belgium block paver area. (Former Trailer location)	\$ 19,700.00
<b>Bench and Table Installation (MBE)</b>	\$ 7,870.00
<b>Storm Water</b>	
Install proposed storm water inlets, and piping. Terminate at the limits of disturbance. Includes directional boring under existing sidewalk as shown.	\$ 69,000.00
<b>Concrete Sidewalk (MBE)</b>	
Break up and remove existing sidewalk to limits shown. Install small section of curbing as depicted on landscape drawing dated 8/13/2012. Install new sidewalk section along east side of 17th Street.	\$ 44,700.00
<b>Bulb Out Curbing and Planter and 8 Street Trees</b>	
Install proposed concrete curbing to limits shown on drawings on the east side. Construct Belgium block border at perimeter of planter.	\$ 34,300.00
<b>Asphalt Restoration (MBE)</b>	
Perform asphalt milling and paving of 17th Street between the north and south limits indicated on the drawings.	\$ 42,800.00
<b>Install Temporary Sacrificial Markings on 17<sup>th</sup> Street (MBE)</b>	\$ 3,200.00
<b>Install permanent Durable Markings on 17<sup>th</sup> Street (MBE)</b>	\$ 8,900.00
<b>Total Cost</b>	<b><u>\$329,240.00</u></b>

The Philadelphia Water Department Grant will contribute \$234,000 to this phase of the landscaping effort. Of the \$329,240 of capital expenditures included in this change order, \$176,940 or 53.7 percent will go to minority business-owned contractors.

Action: Ms. Tsai moved and Ms. Biemiller seconded the motion that the Committee recommend to the full Board approval of the landscaping change order in the amount of \$329,240 to Anthony Biddle Contractors, Inc. The motion passed unanimously.

**(4) Status of Steps Being Taken to Establish Naval Yard Center (Information Item):**

One of the recommended objectives in the proposed 2013-17 Strategic Plan is to establish a new educational center at the Philadelphia Navy Yard. The proposed center is intended to address continuing education needs within the 10,000 employees working at the Navy Yard, as well as serve as a neighborhood site for residents in the adjacent South and Southwest Philadelphia communities.

Dr. Hawk provided a brief overview of the College's regional center facility planning. A longstanding goal for the College has been the establishment of a regional center presence in five sections of the City: Upper Northeast, Lower Northeast, Northwest, West and South/Southwest Philadelphia. To date, only three Centers exist: West, Northwest and Upper Northeast. The Regional Centers are intended to address several key goals. Because Community College of Philadelphia was developed as a single, as opposed to a multi-campus institution, geographic access to the College was initially difficult for many adults in some sections of the City. In developing the regional sites, the institutional goal has been to try to have geographic access for all adult residents of the City to an instructional site that is within a five mile radius of their home. The regional sites are intended to meet unique program needs in the areas served and to advance the general goal of providing educational opportunities for the large percentage of Philadelphia adults who are relatively undereducated relative to the demands of the workforce. The regional sites have always been designed to be net-revenue contributors to the College and have consistently made positive financial contributions to the College. All three of the College's current Regional Centers began as small facilities in leased space. Once student demand and educational missions for the Centers were firmly established, then the leased facilities were eventually turned into permanent regional centers in facilities owned by the College. A small site at the Naval Yard can be a first step to potentially establishing the fourth regional center.

The College has offered instruction at the Naval Yard for a long period of time. At the time the initial efforts to convert the Naval Yard into a corporate center began, the College was one of the initial members of the Collegiate Consortium which provided educational offerings to firms that were being attracted to the Naval Yard. Aker Philadelphia Shipyard was a key client of the College during the early years of the Naval Yard development. However, the College has never had space at the Naval Yard which it could fully control for its own educational purposes. For the past 18 months, staff have been actively considering the possibilities of creating a small center in the Naval Yard. The Naval Yard provides several opportunities for the College. Currently over 10,000 individuals work in the Naval Yard and there is potentially a large demand for educational services by Naval Yard workers. The adjacent South and Southwest

communities are not directly adjacent to any other educational institution; and for many residents, course taking at the Naval Yard would be more convenient than attendance at the College's Main Campus.

To understand the feasibility of creating a small-scale center at the Naval Yard, several planning discussions have been held between CCP staff and representatives of PIDC who have the leadership responsibility for the ongoing development of the Navy Yard Business Campus. After looking at a range of options, the most promising location for the College is in Building 101 – 2<sup>nd</sup> Floor South in space currently occupied by Penn State University. PSU is planning to relocate to larger space in the current fiscal year.

The PSU space comprises 7,500 square feet and is currently laid out in a manner that can easily be modified to accommodate the College's space requirements. Space planning discussions have been initiated with the architect firm [Group G] that has been responsible for the ongoing development of Building 101 and other properties at the Navy Yard.

The PSU space availability creates a unique low-cost opportunity for the College to open a center at the Naval Yard with relatively little risk. The PSU facility can be easily adapted for the College's purposes. As it has in previous occasions when regional sites have been developed, the proposed approach is a cautious one. The Center will be operated on a small scale with no significant overhead expenditures other than those associated with maintaining the lease. The expectation is that the Center can make a net-revenue contribution to the College's budget and not constitute a financial drain. PIDC has indicated a strong willingness to play an active role in helping the College promote awareness within the Naval Yard about the College's educational programs and to facilitate conversations with Naval Yard employers to make certain that the educational offerings of the College are most responsive to the projected needs of the employers and employees within the Naval Yard. The marketing and planning assistance that PIDC can offer will greatly simplify the process of getting the Naval Yard Center off to a quick start.

In addition to a range of standard college-level credit offerings, the Center provides an opportunity for the College to explore educational program offerings in the area of alternative energy sources and may provide an ideal environment for offering some or most of the College's *10,000 Small Businesses* program efforts. The potential lease terms will enable the College to trade up to larger space without financial penalty if enrollment demand at the Naval Yard demonstrates a need that a larger instructional and more complete center would best meet the educational needs at the Naval Yard.

Ms. Biemiller noted that she had concerns in two areas: ability to offer easy resident access to the Naval Yard at evening and weekend times; and the potential for the efforts associated with creating the Center to diminish important efforts needed at existing locations. Dr. Hawk noted that PIDC understood the College's goal to serve area residents and had not expressed any concerns about general public access. This issue will be considered further as planning continues. Dr. Gay stated she was not concerned about adverse impacts on the ability to deliver educational programs at other locations. At any point in time, the College operates a number of neighborhood instructional sites and has the resources in place to support the opening of a new location. If additional planning efforts demonstrate that establishing a permanent instructional site at the Naval Yard is not currently in the College's best interest, this



does not preclude using other approaches at the Naval Yard to deliver instruction through strategies such as continuing participation in the Naval Yard Collegiate Consortium instructional efforts and delivery of on-site corporate-based educational programs under the auspices of the College's Corporate Solutions Division.

The Committee concurred with staff's proceeding with the recommendation that efforts should continue to establish the feasibility of the potential Naval Yard site. If a fully viable plan can be developed, a formal lease proposal will be brought to the Committee for Board approval later in the fiscal year. Negotiations will be completed in time to have accurate cost information for the 2014-15 budget plan. If Board approval for the Naval Yard site is received, barring unforeseen construction issues, a late summer 2014 occupancy should be achievable.

**(5) Status of Audit Committee (Information Item):**

Mr. White noted that an Audit Committee had not yet been appointed for the 2013-14 year. The previous Audit Committee Chair, Rich Downs, resigned in Spring 2013. Until the Audit Committee can be reconstituted, the Business Affairs Committee will assume the responsibilities of the Audit Committee. The 2012-13 Financial Statements will be presented to the Business Affairs Committee at the October 23, 2013 meeting.

**(6) Next Meeting Date**

The next regularly scheduled meeting of the Committee will occur on Wednesday, October 23, 2013 at 9:00 A.M.

**ATTACHMENT A**  
**2012-13 FINAL BUDGET RESULTS**

**Community College of Philadelphia  
Enrollment Information (FTEs) for Fiscal Year 2012-2013**

	<u>Actual FY 11-12</u>	<u>Budgeted FY 12-13</u>	<u>Actual FY 12-13</u>	<u>Actual FY 13 vs Budgeted FY 13</u>	<u>% Variance</u>
<b><u>CREDIT</u></b>					
Summer 2	1,976	1,845	1,837	(8)	-0.44%
Fall	13,461	13,011	12,825	(186)	-1.43%
Spring	13,436	13,164	12,878	(286)	-2.17%
Summer 1	2,665	2,880	2,691	(190)	-6.58%
<b>Credit Year-to- date Totals - Annual FTEs</b>	<b>15,769</b>	<b>15,450</b>	<b>15,115</b>	<b>(334)</b>	<b>-2.16%</b>
<b><u>NONCREDIT</u></b>					
Summer 2	82	80	94	14	16.93%
Fall	761	614	598	(16)	-2.53%
Spring	657	594	561	(33)	-5.61%
Summer 1	76	160	186	26	16.11%
<b>Noncredit Year-to-date Totals - Annual FTEs</b>	<b>788</b>	<b>724</b>	<b>719</b>	<b>(5)</b>	<b>-0.66%</b>

**Community College of Philadelphia  
Operating Budget Projections  
Fiscal Year 2012-2013**

	<u>Original Budget</u>	<u>Final at June 30, 2013</u>
<b><u>REVENUES</u></b>		
Student Tuition and Fees	\$75,605,839	\$73,205,792
Commonwealth of Pennsylvania	27,088,894	28,239,824
City of Philadelphia	18,040,762	18,063,705
Other Income	<u>1,850,800</u>	<u>1,547,115</u>
<b>TOTAL REVENUES</b>	<b>\$122,586,295</b>	<b>\$121,056,437</b>
<b><u>EXPENSES</u></b>		
Salaries, Net of Lapsed Funds	\$73,388,496	\$71,700,206
Fringe Benefits	30,931,625	30,706,640
Other Expenses	20,041,347	17,338,764
Student Financial Aid	<u>175,000</u>	<u>199,418</u>
<b>TOTAL EXPENSES</b>	<b>\$124,536,468</b>	<b>\$119,945,027</b>
<b>OPERATING BUDGET STATUS</b>	<b><u>(\$1,950,173)</u></b>	<b><u>\$1,111,409</u></b>

	Original Budget	Final at June 30, 2013	Comment
<b>OPERATING REVENUES</b>			
State Funding	\$26,873,894	\$28,036,906	Reflects restoration of State funds based upon State budget approved in June, 2012 after the College budget was adopted.
State Lease funding	215,000	202,918	
<b>Total State Revenues</b>	<b>27,088,894</b>	<b>28,239,824</b>	
Tuition - Credit Students	61,802,199	60,154,160	Credit enrollments were slightly below budgeted level (2.16%) resulting in lower tuition.
Technology Fee	10,751,600	10,513,524	Credit enrollments were slightly below budgeted level (2.16%) resulting in lower fees.
Net Contribution from: Contracted Noncredit Instruction; Other Noncredit Instruction; Adult Community Noncredit Instruction	571,500	515,362	
Course Fees	3,484,640	3,444,209	Credit enrollments were slightly below budgeted level (2.16%) resulting in lower fees.
Student Regulatory Fees	976,300	1,190,926	Impact of the New Student Processing fee in its initial year was higher than budgeted.
Tuition Adjustments for Student Receivable Write-offs, Collection Costs, Discount/Free Tuition & Senior Citizen Discount	(1,980,400)	(2,612,388)	Student Receivables and Discounted/Free Tuition programs were above budgeted level.
<b>Total Student Tuition &amp; Fees</b>	<b>75,605,839</b>	<b>73,205,792</b>	
City Operating Funds	18,040,762	18,063,705	City funds for operating budget were impacted by the late State approval for a 5-year loan for the Chemistry Lab renovation project for which City matching funds are required and capital purchases less than the budgeted level.
Investment Income	780,000	332,738	Fixed-income investment rates were lower than budgeted levels and long-term bond values were below prior year's value at year end.
Vocational Education Funding	200,000	247,952	
Indirect Costs, Administrative Allowances	300,000	308,935	
Parking Proceeds & Miscellaneous Income	570,800	657,491	
<b>Total Other Income</b>	<b>1,850,800</b>	<b>1,547,115</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>\$122,586,295</b>	<b>\$121,056,437</b>	

	Original Budget	Final at June 30, 2013	Comment
<b><u>OPERATING EXPENSES</u></b>			
<b><u>Salaries</u></b>			
Full-Time Administrative Salaries	14,833,718		
Less: Projected Lapsed Salaries	(600,000)		
<b>Net Full-Time Administrative Salaries</b>	<b>14,233,718</b>	<b>14,111,607</b>	Lapse funds from vacant positions were higher than budgeted level.
Full-Time Faculty Salaries	29,311,521		
Less: Projected Lapsed Salaries	(200,000)		
<b>Net Full-Time Faculty Salaries</b>	<b>29,111,521</b>	<b>28,823,616</b>	Lapse funds from vacant positions were higher than budgeted level.
Full-Time Classified Salaries	10,408,387		
Less: Projected Lapsed Salaries	(450,000)		
<b>Net Full-Time Classified Salaries</b>	<b>9,958,387</b>	<b>9,764,589</b>	Lapse funds from vacant positions were higher than budgeted level.
<b>Subtotal - Full-Time Salaries</b>	<b>53,303,626</b>	<b>52,699,811</b>	
Part-Time & Overload Credit Salaries	10,834,685	9,852,387	Average class size increased and approximately 150 less sections were offered in both Fall and Spring terms.
Summer Credit Instruction	4,462,134	4,347,303	
Part-Time & Overload Non-Credit Salaries	435,756	452,313	
All Other Salaries	3,902,295	3,753,332	
Early Retirement Incentive Payments	450,000	595,058	The number of faculty and staff taking the Early Retirement Incentive program was higher than the budgeted level.
<b>Subtotal - Other than Full-Time Salaries</b>	<b>20,084,870</b>	<b>19,000,394</b>	
<b>Total Salaries</b>	<b>73,388,496</b>	<b>71,700,206</b>	

	<u>Original Budget</u>	<u>Final at June 30, 2013</u>	<u>Comment</u>
<b>Fringe Benefits</b>			
Medical Program	19,878,500	20,224,193	Projected savings from the medical plan redesign did not occur since contract negotiations were ongoing over the course of the fiscal year.
Retirement	5,610,400	5,570,626	
FICA	3,043,000	2,936,095	
Tuition Remission	697,125	699,801	
Group Life	371,500	358,608	
Unemployment Compensation	381,000	239,993	
Workers' Compensation	367,800	267,707	Reflects actual FY 12-13 premium that was lower than budgeted and a premium return of \$63,000 from prior year based upon actual claims.
Unused Vacation	225,000	(33,822)	
Disability Premium	269,800	262,177	
Forgivable Education Loan	87,500	181,262	Reflects a higher number of faculty and staff taking advantage of educational opportunities than in prior years.
<b>Total Fringe Benefits</b>	<b>30,931,625</b>	<b>30,706,640</b>	

	Original Budget	Final at June 30, 2013	Comment
<b>Facility Expenses</b>			
			Ongoing energy conservation strategies, re-bidding of electricity procurement and favorable weather conditions resulted in utility costs being \$193,000 less than prior year.
Utilities	2,406,702	1,963,930	
Contracted Security	1,302,010	1,233,468	
Contracted Cleaning	1,121,000	1,042,739	
All Other Facility Expenses	1,701,585	1,702,193	
<b>Total Facility Expenses</b>	<b>6,531,297</b>	<b>5,942,330</b>	
<b>All Other Expenses</b>			
Leased Equipment & Software	4,364,322	4,160,263	
Catalogs and Advertising	1,284,721	1,213,529	
Supplies-Pool	1,261,766	1,064,674	
Contracted Services	1,098,269	1,245,197	
Consultant	1,252,900	698,942	Reflects savings from later start than anticipated for the Facility Master Planning process and lower-than-budgeted costs for Degree Works and 8DMS implementations.
Maintenance & Repairs	536,959	403,269	
Postage	452,600	338,160	
Insurance	568,900	773,888	Reflects larger-than-budgeted deductible payments related to defense costs of claims initiated in prior years.
Legal Fees	200,000	341,446	Reflects costs associated with Glaxo Smith Kline lease negotiations and Clery Act training.
Other Expenses	2,509,613	1,157,066	Reflects savings from unspent contingency funds and other budget lines.
<b>Total All Other Expenses</b>	<b>13,510,050</b>	<b>11,396,434</b>	
King Scholarship	175,000	199,418	
<b>TOTAL OPERATING EXPENSES</b>	<b>\$124,536,468</b>	<b>\$119,945,027</b>	
<b>OPERATING BUDGET STATUS</b>	<b>(\$1,950,173)</b>	<b>\$1,111,409</b>	