**Sauk Valley Community College**

**July 27, 2015**

**Action Item 4.1**

**Topic: 2015 - 2016 Budget – Final Reading**

**Presented By: Dr. David Hellmich and Melissa Dye**

**Presentation:**

Since the Tentative Budget approval in June, administration has reviewed current enrollment declines and feels that FY16’s enrollment decline will be about 7%. Below shows the adjustment to tuition revenue based off this decline.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Tentative Budget | Changes | Final Budget |
| In district tuition | 4,560,000 | (307,250) | 4,252,750 |
| Technology Fee | 109,000 | (5,921) | 103,079 |
| Activity Fee | 242,000 | (14,803) | 227,197 |
|  |  |  |  |

A total of $20,229 in operating expenses has also been adjusted.

|  |  |
| --- | --- |
| 3% to Dr. Mihel salary for July less insurance adjustment | (5,113) |
| Adjustment for DSO Coordinators Salary | 5,642 |
| Gala expenses to incur in FY16 | 17,000 |
| Adjustment to Utilities expense | 200 |
| Adjustment to Supplies budget | 2,500 |
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The expense adjustments are reflected in the budget as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Tentative Budget | Changes | Final Budget |
| By Program |  |  |  |
| Student Services | 1,297,418 | 8,142 | 1,305,560 |
| Operation & Maintenance of Plant | 1,485,901 | 200 | 1,486,101 |
| Institutional Support | 2,233,522 | 11,887 | 2,245,409 |
|  |  |  |  |
| By Object |  |  |  |
| Salaries | 7,662,614 | 7,010 | 7,669,624 |
| Employee Benefits | 1,519,592 | (6,481) | 1,513,111 |
| General Materials & Supplies | 604,630 | 19,500 | 624,130 |
| Utilities | 522,500 | 200 | 522,700 |
|  |  |  |  |

As a result of these changes, the final net operating budget decreased by $333,400 to a total of ($302,853) from the tentative net budget of $30,547.

The FY16 operating budget assumes the total state funding of $1,956,711 will be received but will not know true state funding until the State passes its FY16 budget. To date, SVCC has not received $287,870 of FY15 state funding.

**Recommendation:**

The administration recommends the Board of Trustees approve the FY 2016 Budget as presented.