




March 19, 2012

## MEMORANDUM

**TO:** District Board of Trustees  
**FROM:** Jim Murdaugh, President   
**SUBJECT:** Budget Amendment No. 2

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### Item Description

This item is to update the College's operating budget to address events that have occurred subsequent to the approval of amendment No. 1.

### Overview and Background

This amendment adjusts budgeted revenue to be received from tuition and fees, based on actual collections to date. The amendment also authorized the transfer of \$5,000,000 from the operating fund to the capital improvement fund.

### Past Actions by the Board

On June 8, 2011, the Board approved the operating budget for the 2011-2012 fiscal year. On September 19, 2011, the Board approved amendment No. 1.

### Funding/Financial Implications

The College has been accumulating funds to be used for the acquisition of a new ERP system. This transfer will segregate those funds in a separate account to be used strictly for that purpose. The current budget includes an anticipated designation of the year-end fund balance, in the amount of \$5,825,000. With the transfer of these funds, that designation should be removed.

### Staff Resource

Teresa Smith, Jerry Schilling

### Recommended Action

Approve the amendment and the removal of designation from the fund balance of the Operating Fund.

	Original 11-12 Budget	Amendment #1	Amendment #2	Amended 11-12 Budget
Beginning Fund Balance	4,611,196			8,237,158
Adjustment to Beginning Fund Balance		3,625,962		
Budgeted Revenue				
Tuition & Fees	32,770,043		1,500,000	34,270,043
State Support	28,576,842			28,576,842
Federal Support	900,000			900,000
Other Revenue	154,000			154,000
Non Revenue Sources	300,000			300,000
Total Budgeted Revenue	62,700,885			64,200,885
Total Available	67,312,081	3,625,962	1,500,000	72,438,043
Budgeted Expenditures				
Personnel	49,716,049	83,982		49,800,031
Current Expenses	12,178,534	866,628		13,045,162
Capital Outlay	800,000	187,012		987,012
Transfer to Capital Improvement Fund			5,000,000	5,000,000
Total Budgeted Expenses	62,694,583	1,137,622	5,000,000	68,832,205
Net Change, per amendment		2,488,340	(3,500,000)	
Ending Fund Balance	4,617,498			3,605,838
	6.9%			5.0%