

SJVC students learn about these services during orientation, and they are listed and described in the catalog and student handbook. Faculty members and staff also inform students about them by referring students to specific services on an as-needed basis.

D. Financial Planning

SJVC is a for-profit junior college that derives its revenue from student tuition. Campus and program budgets are prepared annually based upon (a) estimated costs on institutional research, including historical information, and (b) tuition revenue on predicted enrollment, average attrition, and expected graduates.

The College's financial planning for the San Diego Campus program migration can be found in the [Campus Budget](#) provided in **Tab 11**. Since the campus is not operational at the time of this Proposal, the budget reflects the start-up expenses for this site and its four program offerings (Dental Hygiene and the CMA, CAMA, and AHCM programs) as well as the ongoing operating expenses. Campus and program expenditures are categorized as:

- Direct Expenses
 - Faculty salaries
 - Textbooks and laptop computers
 - Lab supplies which include library resources
- Administrative Expenses
 - Administrative staff salaries
 - Depreciation expenses for capital equipment purchases
 - Rent
 - Student Recruitment

Expenses anticipated to be spent prior to the first day that the campus is in operation include rent, capital equipment, classroom and office furniture and equipment, textbooks and supplies, library resources, laptop computers, student recruitment, campus administrators and staff, and faculty hired one month prior to the start of their first courses.⁸ The start-up capital equipment costs, which total \$1,058,345, will be financed through Comerica Bank over a period of four years with interest and depreciation included in the administrative expense portion of the budget.⁹ The remaining start-up expenses will be funded from existing working capital and student revenue.

As noted earlier herein, students enroll in the CMA, CAMA, and AHCM programs every five weeks. As the census grows, so will revenue and expenses. The annual budgets reflect the increase in direct and administrative expenses as student census increases which will necessitate additional resources. More faculty will be hired as early as the fourth

⁸ See depreciation or "D" on yearly budgets

⁹ Page 3 of the budget provides a break down of the expenses required to start each of the campus' four programs.

month of the campus' operation to meet the projected increase in census as well as program instructional requirements. The increase in faculty salaries is seen in both the Year 1 and Year 2 Budgets.

After start-up, the the ongoing expenses associated with these programs will be funded from student tuition. As seen in the Year 1 Budget, these programs will contribute to the campus' profitability within the first year of operation. Overall, the program migration will have a minimal impact on SJVC's fiscal resources.