

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for Wednesday, July 3, 2019

1:30 p.m. - 3:00 p.m.

Executive Conference Room #114

1. Welcome
2. State/District Budget Update – O’Connor
 - 2018-19 Second Principal Apportionment Background Memo/Information posted June 26, 2019
 - 2018-19 Second Principal Apportionment Exhibit “C” posted June 26, 2019
 - 2019-20 Changes to SCFF
 - Final State Budget 2019-20 report link: <http://www.ebudget.ca.gov>
 - SSC- CalSTRS Estimated Employer Contribution Rates
 - SSC- What is Included in the Cost of a 1% Salary Increase
 - SSC- Department of Finance Projects Growing Budget Reserves
 - SSC- UCLA Forecasts a Slowing Economy and Rising Risk of Recession
 - SSC- CalPERS Posts Revised Employer Contribution Rates for Subsequent Years
 - SSC- Employer Health Care Costs Projected to Increase in 2020
3. 2019-20 Proposed Adopted Budget Assumptions – **Action Item**
4. Employee Health Benefits Irrevocable Trust – O’Connor
5. Bond Measure Feasibility Study – O’Connor
6. Continued Discussion of SCFF and Review of BAM – Cambridge West Partnership Consultants
7. Standing Report from District Council – Zarske
8. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of June 27, 2019
 - Measure “Q” Project Cost Summary May 31, 2019
 - Monthly Cash Flow Summary as of May 31, 2019
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
9. Approval of FRC Minutes – May 23, 2019
10. Other

Next FRC Committee Meeting: Executive Conference Room #114, 1:30 pm – 3:00 pm)
August 21, 2019

The mission of the Rancho Santiago Community College District is to provide quality educational programs and services that address the needs of our diverse students and communities.



California Community Colleges

MEMORANDUM

June 26, 2019

Apportionments 18-08 | Via Website

TO: Chief Executive Officers
Chief Business Officers
District Staff

FROM: Fiscal Services Unit
College Finance and Facilities Planning Division

RE: 2018-19 Second Principal Apportionment

The 2018-19 second principal apportionment exhibits are now available on the Chancellor's Office [Fiscal Services Unit, Apportionments Reports website](#). **Because the Chancellor's Office will launch a redesigned website on June 29, and some files may be temporarily unavailable, we highly recommend that you download any necessary reports for your records.** For support with any issues obtaining needed information, please email apportionments@cccco.edu.

APPORTIONMENT EXHIBITS

The following exhibits are now available:

2018-19 EXHIBITS

Exhibit A: District Apportionments and Payments by Program

Exhibit B-4: Monthly Payment Schedule

Exhibit C: 2018-19 Total Computational Revenue, Second Principal Apportionment

[The Exhibit C was updated to provide additional explanations, specifically in the TCR section.]

Chancellor's Office, College Finance and Facilities Planning

1102 Q Street, Sacramento, California 95811 | Sixth Floor | 916.445.8752

www.CaliforniaCommunityColleges.cccco.edu

2018-19 Second Principal Apportionment

June 26, 2019

2017-18 EXHIBITS

Exhibit D: District Apportionments and Payments by Program

Exhibit E: Recalculation State General Apportionment by District

2016-17 EXHIBITS

Exhibit D: District Apportionments and Payments by Program

EDUCATION PROTECTION ACCOUNT 2017-18 & 2018-19 EXHIBITS

Exhibit B-4b: Fourth Quarter 2018-19, Quarterly Payment Schedule

Exhibit B-4b: Adjustment 2017-18, Quarter Payment Schedule

Exhibit B-4b: Net to County and District

LEA APPRENTICESHIP TRAINING AND INSTRUCTION 2018-19

Exhibit B-4c: Monthly Payment by County and LEA

BACKGROUND

The second principal apportionment makes three primary sets of changes related to the Student Centered Funding Formula: 1) inclusion of new estimates of offsetting revenues, including property taxes and student enrollment fees; 2) changes included in the 2019 Budget Act and trailer legislation that has been sent to the Governor; and 3) routine adjustments to full-time equivalent students (FTES). The second principal apportionment also reflects corrections to calculations included in the first principal apportionment.

ESTIMATES OF AVAILABLE REVENUES

The second principal apportionment adjusts estimates of revenues that are used to fund the general apportionment. Specifically, the second principal apportionment assumes \$3.346 billion in property tax revenues, of which \$2.986 billion offset state funds. Therefore, property tax revenues are \$66.89 million higher than assumed in the first principal apportionment. Further, the second principal apportionment assumes \$466.281 million in enrollment fee revenues, \$7.367 million more than assumed in the first principal apportionment.

CHANGES INCLUDED IN THE 2019 BUDGET ACT AND TRAILER LEGISLATION

Although the Governor has not signed the 2019 Budget Act or related trailer bills as of this memorandum, the second principal apportionment assumes the budget agreement passed by the Legislature will be enacted. Specifically, for 2018-19, the budget increases state General Fund appropriations to \$3.647 billion, \$43.28 million more than reflected in the first principal apportionment.

2018-19 Second Principal Apportionment

June 26, 2019

Further, the budget changes the definition of a transfer student to rely on different data than the Chancellor's Office had used as part of the first principal apportionment. **The transfer calculation described here applies to the 2018-19 apportionment only.**

The trailer legislation directs the Chancellor's Office to use publicly available University of California (UC) data to count transfers to UC campuses, California State University (CSU) data to count CSU transfers, and CCC Chancellor's Office data to count transfers to private and out-of-state institutions. This direction changes the statewide transfer count in the prior year (2017-18), which is the data used for the current-year apportionment.

For the equity component of the student success allocation, which counts the number of transfers who were Pell Grant recipients and California College Promise Grant recipients, the second principal apportionment calculates those counts by multiplying the total number of transfers, as of the second principal apportionment, by 1) the percentage of Pell Grant recipient transfers in the first principal apportionment and 2) the percentage of California College Promise Grant recipient transfers in the first principal apportionment.

Statewide, these changes result in a reduction in the total computational revenue (TCR) of \$47.072 million. (You will find more detail about the changes made to the Student Centered Funding Formula in a forthcoming analysis.)

ROUTINE ADJUSTMENTS

As with any year, the second principal apportionment reflects changes to FTES counts, which affects the base allocation. Statewide, from the first principal apportionment to the second principal apportionment:

- Credit FTES decreased by 6,036.66.
- Credit FTES for students in correctional facilities increased by 1,700.05.
- Credit FTES for special admit students increased by 8,393.67.
- Noncredit FTES increased by 948.83.
- Career development and college preparation (CDCP) FTES decreased by 620.91.

With these changes, statewide, the revenues allocated to the base allocation increased by \$32.825 million. This apportionment reflects an error by which districts were apportioned funds for FTES above their growth targets. Given the apportionment shortfall described below, as part of the final recalculation apportionment, the Chancellor's Office will reduce districts' FTES to no more than the growth target, unless sufficient funds are available to fund FTES above the target when the recalculation apportionment is made. Statewide, this correction will reduce the base allocation by \$17.073 million.

2018-19 Second Principal Apportionment

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CORRECTIONS

The second principal apportionment makes the following corrections that had been made in the first principal apportionment:

- The grandparented rates for students in correctional institutions and special admit students were corrected for those districts for which the statute specifies unique higher rates.
- In “Section 1a: FTEs Allocation” of the Exhibit C, the “2017-18 Credit Used for the 3 Year Average” column was added to reflect the credit FTE workload used in the three-year calculation of credit FTES.

IMPLEMENTATION OF THE APPORTIONMENT GIVEN AVAILABLE RESOURCES

On April 26, 2019, the Chancellor’s Office issued a memorandum explaining the April version of the first principal apportionment. Consistent with the expectations communicated as part of the Student Centered Funding Formula, the Chancellor’s Office apportioned to each district at least their 2017-18 TCR, adjusted by the 2018-19 COLA. The second principal apportionment continues that approach.

The table on the following page displays the TCR and available revenues as of the first principal apportionment (April revision), the second principal apportionment, and the 2019 Budget Act, with a calculation of the differences in the TCR and available revenues between the second principal apportionment and the 2019 Budget Act.

2018-19 Second Principal Apportionment

June 26, 2019

2018-19 General Apportionment Estimates (In Millions)

	P1 April 019	P2 June 2019	2019 Budget Act	Difference: P2 & Budget Act
Student Centered Funding Formula Allocations				
Base	\$4,918	\$4,950	\$4,919	\$ (31)
Supplemental	1,396	1,396	1,391	(5)
Student Success	787	739	739	0
Total	\$7,101	\$7,085	\$7,049	\$ (36)
Minimum Revenue	113	123	116	(7)
Total Computational Revenue	\$7,214	\$7,208	\$7,165	\$ (43)
Available Revenues				
General Fund	\$3,604	\$3,647	\$3,641	\$ (6)
Local Property Tax	2,919	2,987	3,056	69
Enrollment Fees	459	466	464	(2)
Other Offsetting Revenues	4	5	4	(1)
Total Available Revenues	\$6,987	\$7,105	\$7,165	\$ 60
Surplus (Shortfall)	\$ (228)	\$ (103)	\$ 0	\$ 103

As of the second principal apportionment, statewide, the available revenues are insufficient to fund the TCR, and the Chancellor's Office has apportioned less than the TCR. Consistent with the approach taken in the April revision of the first principal apportionment, a district's apportionment is calculated as follows:

1. A district's TCR was constrained to be no greater than 8.13 percent (three times the budgeted COLA) more than the 2017-18 TCR.
2. The difference between the "constrained TCR" and the 2017-18 TCR, adjusted by the COLA, was calculated.

2018-19 Second Principal Apportionment

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3. The difference was divided by the sum of all of the districts' differences to calculate each district's percentage.
4. Each district's percentage was multiplied by the remaining available revenues to calculate the district's proportionate share of those revenues.
5. The proportionate share was added to the district's 2017-18 TCR, adjusted by COLA, to determine the adjusted 2018-19 TCR at this point in time.

As with any year, the Chancellor's Office will again make adjustments in the recalculation apportionment. Should additional revenues be available then (e.g., if property tax revenues increase consistent with the state's assumptions), the Chancellor's Office would first apportion funds up to the constrained TCR and then apportion funds to those districts for which the TCR is above those totals.

FCMAT CALCULATOR

In partnership with the Fiscal Crisis and Management Assistance Team (FCMAT), FCMAT will update the [SCFF Calculator](#) to reflect the second principal apportionment and notify SCFF Calculator Listserv subscribers once those updates are made. The Chancellor's Office encourages districts to visit the FCMAT website to subscribe to the [Listserv](#), download the most updated version of the calculator, and use this tool for multi-year budgeting projections. As a reminder, a [help desk](#) is available to provide committed support to users related to the use of the calculator. Your questions and feedback received through the help desk informs FCMAT on challenges you face and allows for continued improvement.

QUESTIONS

For questions about general apportionments, contact apportionments@cccco.edu or the staff listed below.

General Apportionments:

Randy Fong
rfong@cccco.edu, (916) 327-6238

Patricia Servin
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Categorical Apportionments:

Patricia Servin
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Jubilee Smallwood
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Chay Yang
cyang@cccco.edu, (916) 445-8283

2018-19 Second Principal Apportionment

June 26, 2019

Categorical Program Apportionments Contacts

Program	Name	Email Address	Phone number
Adult Education	Neil Kelly	nkelly@cccco.edu	(916) 324-8895
Apprenticeship	Nick Esquivel	nesquivel@cccco.edu	(916) 445-4670
Apprenticeship Instruction and Training	Nick Esquivel	nesquivel@cccco.edu	(916) 445-4670
Basic Skills	Chantée Guiney	cguiney@cccco.edu	(916) 322-4260
CalWORKs	Karen Baker	kbaker@cccco.edu	(916) 445-8504
California College Promise	Ruby Nieto	rnieto@cccco.edu	(916) 322-4300
Campus Child Care & Development	Jillian Luis	jluis@cccco.edu	(916) 322-5246
Certified Nurse Assistant Program	Brenda Fong	bfong@cccco.edu	(916) 323-2758
Chancellor's Office Tax Offset Program (COTOP)	Terence Gardner	tgardner@cccco.edu	(916) 322-7412
Cooperating Agencies for Foster Youth Education Support (CAFYES)	Colleen Ganley	cganley@cccco.edu	(916) 323-3865
Cooperative Agencies Resources for Education (CARE)	Jillian Luis	jluis@cccco.edu	(916) 322-5246
Disabled Student Programs and Services (DSPS)	Linda Vann	lvann@cccco.edu	(916) 322-3234
Equal Employment Opportunity	Legal Main Line	legalaffairs@cccco.edu	(916) 445-4826
Expanding the Delivery of Courses through Technology	Gary Bird	gbird@cccco.edu	(916) 327-5904
Extended Opportunity Programs and Services (EOPS)	Jillian Luis	jluis@cccco.edu	(916) 322-5246
Foster and Kinship Care Education (FKCE)	Jillian Luis	jluis@cccco.edu	(916) 322-5246
Full-Time Faculty Hiring	Chay Yang	cyang@cccco.edu	(916) 445-8283
Full-Time Student Success Grant	Ruby Nieto	rnieto@cccco.edu	(916) 322-4300
Guided Pathways (apportionments contact)	Michael Quiaoit	mquiaoit@cccco.edu	(916) 327-6222
Guided Pathways (program contact)	Mia Keeley	mkeeley@cccco.edu	(916) 327-5898

2018-19 Second Principal Apportionment

June 26, 2019

Program	Name	Email Address	Phone number
K-12 Strong Workforce Program	Matthew Roberts	mroberts@cccco.edu	(916) 445-7692
Legal Services to Undocumented Students	Laura Metune	lmetulan@cccco.edu	(916) 323-5951
Mental Health Services	Nicole Alexander	nalexander@cccco.edu	(916) 322-7924
Nursing Program Support	Brenda Fong	bfong@cccco.edu	(916) 323-2758
Part-time Faculty Compensation	Michael Yarber	myarber@cccco.edu	(916) 322-5815
Part-time Faculty Health Insurance	Michael Yarber	myarber@cccco.edu	(916) 322-5815
Part-time Faculty Office Hours	Michael Yarber	myarber@cccco.edu	(916) 322-5815
Physical Plant and Instructional Support	Hoang Nguyen	hnguyen@cccco.edu	(916) 327-5363
Strong Workforce Program	Nita Patel	npatel@cccco.edu	(916) 327-6226
Student Basic Needs	Colleen Ganley	cganley@cccco.edu	(916) 323-3865
Student Equity and Achievement	Michael Quiaoit	mquiaoit@cccco.edu	(916) 327-6222
Student Financial Aid Program	Ruby Nieto	rnieto@cccco.edu	(916) 322-4300
Student Success and Support Program	Rhonda Mohr	rmohr@cccco.edu	(916) 323-6894
Telecommunications and Technology Infrastructure Program (TTIP)	Gary Bird	gbird@cccco.edu	(916) 327-5904
Temporary Assistance Needy Families (TANF)	Karen Baker	kbaker@cccco.edu	(916) 445-8504
Transfer and Articulation	Bob Quinn	bquinn@cccco.edu	(916) 324-2358
Veteran Resource Center	Erin Larson	elarson@cccco.edu	(916) 327-0067

**California Community Colleges
2018-19 Second Principal Apportionment
Rancho Santiago CCD
Exhibit C - Page 1**

Total Computational Revenue and Revenue Source

Total Computational Revenue (TCR)		For Informational Purposes Only	
I. Base Allocation (FTES + Basic Allocation)	\$ 130,684,861	a	
II. Supplemental Allocation	25,290,880	b	
III. Student Success Allocation	19,926,062	c	
Student Centered Funding Formula (SCFF) Calculated Revenue	\$ 175,901,803	d	= a+b+c
2017-18 TCR + 2.71%	169,318,347	e	
2018-19 TCR	175,901,803	f	= Max(d,e)
Constrained 2018-19 TCR**	175,901,803	g	
Difference between Constrained 2018-19 TCR and 2017-18 TCR + 2.71%	6,583,456	h	= g - e
Funding above the 2017-18 TCR + 2.71%	5,770,703	i	= h * (Statewide i ÷ Statewide h)
Adjusted 2018-19 TCR Reflecting Available Revenues	\$ 175,089,050	j	= e + i
Revenue Sources			
Property Tax	\$ 82,562,517	k	Reported by counties for P2.
Less Property Tax Excess	-	l	
Student Enrollment Fees	8,850,723	m	Reported by districts for P2.
State General Apportionment			
General Apportionment	\$ 56,017,982	n	Only for non basic aid districts.
Full-Time Faculty Hiring (FTFH) Apportionment (2015-16 Funds Only)	1,722,584	o	All districts eligible for FTFH funds.
Total State General Apportionment	57,740,566	p	Also displayed on Exhibit A.
Education Protection Account (EPA)	25,935,244	q	All districts eligible for EPA, paid quarterly.
Total Available Revenue	\$ 175,089,050	r	= k + l + m + p + q

**For all districts--2018-19 TCR, but no higher than 8.13% increase over 2017-18 TCR.

Supporting Sections

Section Ia: FTES Allocation

	Credit Used for 3 Year Average		Calculations of the 2018-19 Applied #1 that equals 2018-19 FTES before Growth & Stability Paid					Credit Used for 3 Year Average	Credit 3 Year Average
	2016-17	2017-18	2017-18 Funded	Stability*	Restoration	Stability Adjustment	Adjustment	2018-19 Applied #1	
Credit	19,547.90	21,105.00	23,301.94	-	-	(4,393.09)	-	18,908.85	19,853.92
Special Admit Credit	1,944.53	2,196.94	-	-	-	2,583.27	-	2,583.27	
Incarcerated Credit	6.72	-	-	-	-	-	-	-	
CDCP	5,163.50	4,981.71	4,981.71	(362.39)	-	-	-	4,619.32	
Noncredit	854.66	1,092.28	1,092.28	(131.32)	-	-	-	960.96	
Totals	27,517.31	29,375.93	29,375.93	(493.71)	-	(1,809.82)	-	27,072.40	19,853.92
	2018-19 Applied #2		Growth	Stability Paid*	2018-19 Paid	Rate \$	Revenue \$	2018-19 FTES Reported	2018-19 FTES Unapplied
Credit	19,853.92		-	-	19,853.92	\$ 3,727.00	\$ 73,995,551	18,908.85	-
Special Admit Credit	2,583.27		-	-	2,583.27	5,456.67	14,096,060	2,583.27	-
Incarcerated Credit	-		-	-	-	5,456.67	-	-	-
CDCP	4,619.32		-	362.39	4,981.71	5,456.67	27,183,563	4,619.32	-
Noncredit	960.96		-	131.32	1,092.28	3,347.49	3,656,400	960.96	-
Totals	28,017.47		-	493.71	28,511.18		\$ 118,931,574	27,072.40	-

*Only CDCP and Noncredit FTES workload eligible for stability.

Section Ib: FTES Allocation - Restoration Target

	2015-16	2016-17	2017-18	Total Target \$
Credit	-	-	-	\$ -
Special Admit Credit	-	-	-	-
Incarcerated Credit	-	-	-	-
CDCP	-	-	-	-
Noncredit	-	-	-	-
Total	-	-	-	\$ -

Section Ic: FTES Allocation - Growth Target

	FTES	2018-19 Growth FTES	0.50%
Credit	19,853.92	99.37	
Special Admit Credit	-	11.00	
Incarcerated Credit	-	-	
CDCP	4,981.71	24.93	
Noncredit	1,092.28	5.47	
Total	25,927.91	140.77	
Total \$ Equivalent	\$ 584,723		

California Community Colleges
2018-19 Second Principal Apportionment
Rancho Santiago CCD
Exhibit C - Page 2

Section 1d: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	Funding Rate	Number of Centers	Basic Allocation
<u>Single College Districts</u>				<u>State Approved Centers</u>		
≥ 20,000	\$ 6,529,604.71	-	\$ -	≥ 1,000	\$ 1,305,921.16	\$ 1,305,921
≥ 10,000 & < 20,000	5,223,683.55	-	-	<u>Grandparented Centers</u>		
< 10,000	3,917,761.32	-	-	≥ 1,000	\$ 1,305,921.16	\$ 1,305,921
<u>Multi-College Districts</u>				≥ 750 & < 1,000	979,440.06	-
≥ 20,000	5,223,683.55	1	5,223,684	≥ 500 & < 750	652,960.04	-
≥ 10,000 & < 20,000	4,570,723.51	-	-	≥ 250 & < 500	326,480.02	-
< 10,000	3,917,761.32	1	3,917,761	≥ 100 & < 250	163,241.08	-
					subtotal	\$ 2,611,842
Additional Rural \$	\$ 1,246,089.31	-	\$ -		Total Basic Allocation	\$ 11,753,287
		subtotal	\$ 9,141,445		Total FTES Allocation	118,931,574
					Total Base Allocation	\$ 130,684,861

Section II: Supplemental Allocation

	2017-18 Headcount	2018-19 Rate	Revenue
Pell Grant Recipients	6,288	\$ 919	\$ 5,778,672
AB540 Students	2,317	919	2,129,323
California Promise Grant Recipients	18,915	919	17,382,885
		Total Supplemental Allocation	\$ 25,290,880

Section III: Student Success Allocation

	2017-18 Headcount	2018-19 Rate	Revenue
All Students			
Associate Degrees for Transfer	1,237	\$ 1,760.00	\$ 2,177,120
Associate Degrees	3,302	1,320.00	4,358,640
Baccalaureate Degrees	-	1,320.00	-
Credit Certificates	2,679	880.00	2,357,520
Transfer Level Math and English	747	880.00	657,360
Transfer	1,902	660.00	1,255,320
Nine or More CTE Units	3,907	440.00	1,719,080
Regional Living Wage	6,932	440.00	3,050,080
	All Students subtotal		\$ 15,575,120
Pell Grant Recipients			
Associate Degrees for Transfer	588	\$ 666.00	\$ 391,608
Associate Degrees	1,530	499.50	764,235
Baccalaureate Degrees	-	499.50	-
Credit Certificates	1,187	333.00	395,271
Transfer Level Math and English	285	333.00	94,905
Transfer	635	249.75	158,637
Nine or More CTE Units	1,068	166.50	177,822
Regional Living Wage	424	166.50	70,596
	Pell Grant Recipients subtotal		\$ 2,053,074
California Promise Grant Recipients			
Associate Degrees for Transfer	881	\$ 444.00	\$ 391,164
Associate Degrees	2,453	333.00	816,849
Baccalaureate Degrees	-	333.00	-
Credit Certificates	1,878	222.00	416,916
Transfer Level Math and English	446	222.00	99,012
Transfer	1,154	166.50	192,198
Nine or More CTE Units	2,157	111.00	239,427
Regional Living Wage	1,282	111.00	142,302
	California Promise Grant Recipients subtotal		\$ 2,297,868
		Total Student Success Allocation	\$ 19,926,062

2019-20 Advance Apportionment Assumptions

	Advance	Later Adjustments
Base Allocation		
Credit FTES	Average of 2017-18 final, 2018-19 P2 reported FTES, and 2018-19 P2 reported FTES.	Replace with 2019-20 FTES at P1.
CDCP FTES	2018-19 reported FTES at 2018-19 P2.	Change at P1.
Noncredit FTES	2018-19 reported FTES at 2018-19 P2.	Change at P1.
Special Admit FTES	2018-19 reported FTES at 2018-19 P2.	Change at P1.
CDCP FTES	2018-19 reported FTES at 2018-19 P2.	Change at P1.
Basic Allocation	Total from 2018-19 P2.	Change at P1.
Supplemental Allocation		
Pell Grant Recipients	2017-18 counts.	Change at P1 to 2018-19 counts.
College Promise Grant Recipients	2017-18 counts.	Change at P1 to 2018-19 counts.
AB 540 Students	2017-18 counts.	Change at P1 to 2018-19 counts.
Student Success Allocation		
ADT	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
AA	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
BA	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
Credit Certificates	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
Transfers	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
Regional Living Wage	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
Transfer-Level Math and English	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.
CTE	Average of 2016-17, 2017-18, and 2017-18.	Add 2018-19 year at P1.

Implementation of Changes to SCFF Rates

- + **2019-20 Total Computational Revenues (As Appropriated by 2019 Budget Act)**
- Cost of Noncredit FTES at Existing, COLA-Adjusted Rates
- Cost of CDCP FTES as Existing, COLA-Adjusted Rates
- = Funds for Use in New Distribution

70%

Base Allocation

- + Calculated Percentage of Funds
- Cost of Basic Allocation at Existing, COLA-Adjusted Rates
- Cost of Special Admit Students at Existing, COLA-Adjusted Rates
- Cost of Students in Correctional Facilities at Existing, COLA-Adjusted Rates
- = Funds Available for Recalculation

20%

Supplemental Allocation

- + Calculated Percentage of Funds = Funds Available for Recalculation
(Same point values as under current law)

10%

Student Success Allocation

- + Calculated Percentage of Funds = Funds Available for Recalculation
(Same point values as under current law; implementation of new measures.)

COMMUNITY COLLEGE UPDATE

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Volume 39

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No. 12

CalSTRS Estimated Employer Contribution Rates

Based on June 10, 2019, actions of the Budget Conference Committee, California State Teachers' Retirement System (CalSTRS) is now estimating the following employer contribution rates, compared to the rates currently in statute:

	Employer Contribution Rate	
	Current Statutory Rates	With Additional Payment Adopted by Budget Conference Committee
2019-20	18.13%	17.10%
2020-21	19.10%	18.40%
2021-22 through 2045-46*	18.40%	18.10%
*Beginning in 2021-22, the CalSTRS Board has authority to increase and decrease employer contribution rates within certain boundaries in order to fully exhaust the CalSTRS unfunded liability by 2045-46. This rate is subject to change.		

While trailer bills are not yet available, CalSTRS expects the trailer bill language to say the state will cover 1.03% of the CalSTRS rate for employers in 2019-20 and 0.7% in 2020-21. Total savings for employers through 2046 are now expected to be approximately \$5 billion based on this action.

This is less of a rate reduction than Governor Gavin Newsom proposed at the May Revision, but the Budget Conference Committee compromise provides California Public Employees' Retirement System employer contribution rate relief for schools and community college districts as well. We will provide those estimated rates as they become available.

—*Michelle McKay Underwood*

posted 06/11/2019

COMMUNITY COLLEGE UPDATE

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Volume 39

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No. 12

Ask SSC . . . What Is Included in the Cost of a 1% Salary Increase?

Q. I am new to community college business and we are currently bargaining with our faculty union. I've been asked to calculate the cost of a 1% salary increase, to be used for discussing proposals at the table. Can you please explain how to calculate this correctly?

A. This is indeed a very critical calculation that is necessary for your collective bargaining process. While the tendency might be to calculate a 1% increase on the cost of salaries for your faculty or any given group, it is important to include any other expenses that will increase as a result of the salary augmentation. For example, statutory benefits, such as contributions to the California State Teachers' Retirement System or the California Public Employees' Retirement System, Workers' Compensation, Medicare, etc.; in addition, any stipends, longevity, or extra duty pay assignments that are based upon the salary schedule, should be taken into account in the calculation. Health and welfare benefit costs are not typically included in this calculation, as the costs change according to enrollment in benefit plans rather than increases in salary.

The final product is most easily viewed in a tabular format. Below is an example of a completed cost of a 1% salary increase calculation:

Employee Group	Salary	Statutory Benefits	Total	Cost of 1%
Faculty	\$10,000,000	\$2,000,000	\$12,000,000	\$120,000
CSEA	\$2,500,000	\$625,000	\$3,125,000	\$31,250
Confidential	\$500,000	\$125,000	\$625,000	\$6,250
Management	\$1,000,000	\$230,000	\$1,230,000	\$12,300
Totals	\$14,000,000	\$2,980,000	\$16,980,000	\$169,800

Once the costs have been calculated, it's important to retain the backup documentation in the event that a change must be made in the future. Due to the sensitivity of the information, and the fact that it provides a basis for decision making in negotiations, the accuracy is of paramount importance.

—*Danyel Conolley and Suzanne Speck*

posted 06/10/2019

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No. 13

Department of Finance Projects Growing Budget Reserves

Pursuant to Proposition 2 of 2014, the Department of Finance (DOF) is required to prepare multiyear projections of revenues, expenditures, and reserve levels. In their latest report, the DOF forecasts that General Fund revenues and transfers will increase from \$141.6 billion in the current year to \$157.8 billion by 2022-23, an average annual increase of 2.75%. In contrast, General Fund expenditures, including allocations to support Proposition 98, are forecast to increase from \$143.2 billion to \$157.4 billion over the same period, an average annual gain of 2.39%.

Under this forecast, total deposits to the Budget Stabilization Account (BSA), otherwise known as the state Rainy Day Fund, will reach \$18.7 billion by 2022-23, with total reserves (i.e., the BSA, the Special Fund for Economic Uncertainties, and the Safety Net Reserve) totaling \$22.8 billion, or 14.1% of total resources. State law calls for the deposits to the BSA to reach 10% of General Fund tax proceeds; however, under the multiyear forecast, the BSA will exceed the 10% target of \$15.6 billion by \$3.1 billion by 2022-23.

Over this period General Fund support of K-14 education under Proposition 98 drops slightly from 38.0% of total expenditures in the current year to 37.8% in 2022-23. This reduction is likely the result of stronger local property tax growth, which offsets state support for education on a dollar-for-dollar basis. If the state's allocation to K-14 education were to remain at the 2018-19 level, schools and community colleges would receive an additional \$157 million above the forecast level.

Click [here](#) to access the Multi-Year General Fund Budget Projection report.

—*Robert Miyashiro*

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No. 12

UCLA Forecasts a Slowing Economy and Rising Risk of Recession

The U.S. economy will continue to slow and the risks of a recession will increase as trade tensions mount, according to economists with the UCLA Anderson Forecast. For the last year, the UCLA group has forecast that the economy would follow a “3-2-1” path, meaning 3% growth in gross domestic product (GDP) in 2018, 2% growth in 2019, and 1% growth in 2020. On Wednesday, June 5, 2019, at a conference held on the UCLA campus, the economists released their June 2019 Economic Forecast, sticking with their “3-2-1” outlook.

Senior Economist David Shulman acknowledged that GDP growth in the first quarter of 2019 came in at 3.2%, significantly better than the 2% growth they are expecting for the current year. He explained, however, that most of this growth was fueled by one-time factors that would be reversed in the second quarter. After adjusting inventory changes, export/import changes, and state and local increases, Shulman concluded that the underlying growth for the first quarter of 2019 was 1.2%.

On the labor front, the U.S. economy is experiencing a very low unemployment rate and decelerating employment growth. Job growth is expected to fall from a monthly average of 220,000 jobs for the year ending in April 2019 to about 50,000 jobs per month in 2020. Simply put, most people who are seeking work will be employed, and employment growth must necessarily slow.

Inflation is expected to remain “benign” and the Federal Reserve will keep the Federal Funds Rate at 2.375% until the middle of 2020. A 50 basis point rate cut is expected in the second half of 2020 to address the slowing economy. Similarly, the ten-year U.S. Treasury bond is expected to remain in the range of 2.3% to 2.8% through 2020.

The biggest threat to the economy is the escalating trade war with China and now Mexico. Shulman noted that the threat of tariffs on imports from Mexico will be “a much bigger deal” than what is already in place for China. He indicated that trade between the U.S. and Mexico entails the tightest supply chain for manufactured goods among nations. As an example, car parts can cross the U.S./Mexico border four or five times before a car rolls off of the assembly line. With tariffs imposed on these exchanges, Shulman estimated that the price for a new car could increase \$1,200. In Shulman’s words, “If you want to make a recession, this is a good way to start.”

Ed Leamer, the former Director of the Anderson Forecast, presented a complex analysis of the risk of recession, based on the patterns of 11 prior expansions and recessions coupled with both “Main Street” and “Wall Street” factors. He explained that Main Street factors were variables such as durable and nondurable goods spending, services, intellectual property, and imports/exports. Wall Street factors included the yield curve (i.e., the interest rate difference between short-term and long-term debt) and the risk premium on low-rated bonds.

Leamer’s analysis finds that there is a 50% chance of a recession within the next five quarters. He acknowledges, however, that using another model, the 50% risk extends to a period of 8.4 quarters.

Shulman made light of these conclusions during the Q&A portion of the session, noting that his colleague put the “con” in econometrics.

—*Robert Miyashiro*

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CalPERS Posts Revised Employer Contribution Rates for Subsequent Years

Due to the investment in school employee pension plans included in the 2019-20 State Budget deal, the California Public Employees' Retirement System (CalPERS) posted its estimated employer contribution rate for 2019-20 (see "[Estimated 2019-20 CalPERS Rate After Buy Down](#)" in the current *Community College Update*).

CalPERS has now released its estimated rates for the subsequent years, and the rates are as follows:

CalPERS Employer Contribution Rates								
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Previous Rates	18.062%	20.733%	23.6%	24.9%	25.7%	26.4%	26.6%	26.5%
Revised Rates	18.062%	19.721%	22.7%	24.6%	25.4%	26.1%	26.3%	26.2%

To see more detail behind these rates, click [here](#). The latest word is that the CalPERS Board will not need to take action to approve the 2019-20 employer contribution rate of 19.721% and that it will be effective July 1. CalPERS is poised and ready to issue an employer bulletin to that effect as soon as Governor Gavin Newsom signs Senate Bill (SB) 90, the budget trailer bill addressing the school employer contribution rate relief. SB 90 was approved by both the Senate and Assembly on Thursday, June 20, 2019, and is now headed to the Governor. Stay tuned.

—*Michelle McKay Underwood*

posted 06/20/2019

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No. 13

Employer Health Care Costs Projected to Increase in 2020

PricewaterhouseCoopers' Health Research Institute (HRI) released a publication on medical cost trends and projections for calendar year 2020. Medical cost trends are used by health insurance companies to set premiums for the following year based on estimates of the costs for the same health plan in the current year. HRI projects the medical cost trend to be 6% in 2020 with a net growth rate of 5%. In the last two years, the medical cost growth has been consistent at 5.7%.

Employers are trying to deflate medical costs through negotiating contract prices, setting up their own provider networks, or building parallel health systems to take care of their own employees at manageable costs; however, prices, not utilization, have fueled healthcare spending. According to HRI, the following factors have prompted the medical cost trend for 2020:

- Drug spending will grow faster as spending on generic therapies plateau and costly therapies enter the market
- 60% of adults have a chronic disease with 40% managing two or more diseases
- Employees and their families are taking advantage of greater access to mental health services

In anticipation of an increase in health care costs in 2020, the California Public Employees' Retirement System (CalPERS) has revised its health plan premiums to ensure the changes to rates and benefits are appropriate and that its reserve funds are adequate for continued operations. For more details on the CalPERS rates for 2020, see "[CalPERS Board Approves 2020 CalPERS Health Plan Premiums](#)" in the current *Community College Update*.

To read the complete HRI publication, click [here](#).

—*Jamie Metcalf*

posted 06/20/2019

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2019-20 Adopted Budget Assumptions
June 26, 2019**

I. State Revenue

A. Budgeting will begin using the new Student Centered Funding Formula (SCFF) at the hold harmless provision for the 2017/18 Total Computational Revenue plus 2018/19 & 2019/20 cost of living adjustments (COLA).

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded	Actual Growth
2013/14	28,185.04	28,688.93	28,688.93	1.79%
2014/15	28,688.93	28,908.08	28,908.08	0.76%
2015/16	28,908.08	28,901.64	28,901.64	-0.02%
2016/17	28,901.64	27,517.31 a	28,901.64 a	-4.79%
2017/18	P3 28,901.64	29,378.53 b	29,375.93 b	1.65%
2018/19	P2 29,375.93	27,072.40	27,072.40 ?	-7.84%

a - based on submitted P3, District went into Stabilization in FY 2016-17

b - based on submitted P3, the district shifted 1,392.91 FTES from summer 2018

The district went into stabilization in 2016/17 and was in restoration in 2017/18.

To maintain the 2015/16 funding level and produce growth FTES, the district borrowed from summer 2018 which reduces FTES in 2018/19.

The governor's proposed budget includes .55% systemwide growth funding, **3.26%** COLA, and no base allocation increase. The effects of the SCFF on our budget is not fully known at this time. The governor proposes maintaining the split at 70/20/10 for this year plus COLA. Any changes to our funding related to the new formula will be incorporated in the Adopted Budget.

Projected COLA of 3.26%	\$5,719,133
Projected Growth/Access	\$0
Projected Base Allocation Increase	\$0
Continued Projected Deficit	\$0
Apportionment Base Incr (Decr) for 2019/20	\$5,719,133

2019/20 Potential Growth at 0.5% based on .55% system **29,523**

C. Education Protection Account (EPA) funding estimated at **\$23,760,009 based on 2018/19 @ P1**. These are not additional funds. The EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. We intend to charge a portion of faculty salaries to this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at \$151 per FTES (**\$4,190,905**). Restricted lottery at \$53 per FTES (\$1,470,980). (2018/19 P2 of resident & nonresident factored FTES, 27,754.34 x 151 = \$4,190,905 unrestricted lottery; 27,754.34 x 53 = \$1,470,980.) Decrease of about 8%.

E. Estimated reimbursement for part-time faculty compensation is estimated at **\$614,810 (2018/19 @ P1)**. Decrease of about 11%.

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA is being proposed on certain categorical programs. Without COLA, other categorical reductions would be required to remain in balance if settlements were reached with bargaining groups. The colleges will need to budget for any program match requirements using unrestricted funds.

G. BOG fee waivers 2% administration funding estimated at 2018/19 @ P1 of \$293,254. Unchanged.

H. Mandates Block Grant estimated at a total budget of \$792,827 (30.09 x 26,348.51). Slight decrease. No additional one-time allocation proposed.

II. Other Revenue

I. Non-Resident Tuition budgeted at \$3,400,000. (SAC \$2,400,000, SCC \$1,000,000) - Increase of \$200,000.

J. Interest earnings estimated at **\$1,400,000**. Increase of \$575,000.

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately \$407,680. Unchanged.

L. Apprenticeship revenue estimated at \$3,557,300. Increase of \$800,000.
(Corresponding expenses of \$535,000 are also budgeted for additional apprenticeship course offerings)

M. Scheduled Maintenance/Instructional Equipment allocation.

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2019-20 Adopted Budget Assumptions
June 26, 2019**

III. Appropriations and Expenditures

- A. As the District's budget model is a revenue allocation model, revenues flow through the model to the colleges as earned. The colleges have the responsibility, within their earned revenue, to budget for ALL necessary expenditures including but not limited to all full time and part time employees, utilities, instructional services agreements, multi-year maintenance and other contracts, supplies, equipment and other operating costs.
- B. The state is providing a Cost of Living Allowance (COLA) of **3.26%**. Any collectively bargained increased costs will be added to the budget. The estimated cost of a 1% salary increase is **\$1.78** million for all funds. The estimated cost of a 1% salary increase is **\$1.35** million for the unrestricted general fund.
- C. Step and column movement is budgeted at an additional cost of approximately \$2.06 million including benefits for FD 11 & 13 (FARSCCD approximate cost \$577,291 CSEA approximate cost \$664,861, Management/Other approximate cost \$815,172) For all funds, it is estimated to = \$2.57 million (FARSCCD = \$657,895, CSEA = \$859,802, Management = \$1,052,246)
In addition, the colleges would need to budget for step/column increases for P/T faculty.
- D. Health and Welfare benefit premium cost increase as of 1/1/20 is estimated at 3.5% for an additional cost of approximately \$520,088 for active employees and an additional cost of **\$682,766** for retirees, for a combined increase of **\$1,202,854** for unrestricted general fund. The additional cost increase for all funds is estimated to = **\$1,355,259**.
State Unemployment Insurance local experience charges are estimated at \$250,000 (2018/19 budgeted amount). Unchanged.
The District will decrease the Worker's Compensation Insurance (WCI) rate from 2.25% to 1.5% of total salaries.
CalSTRS employer contribution rate will increase in 2019/20 from 16.28% to **17.10%** for an increase of **\$608,058**.
The reduction from 18.13% originally estimated to **17.10%** reduced the required CalSTRS contribution by **\$763,779**.
(Note: The cost of each 1% increase in the STRS rate is approximately \$740,000.)
CalPERS employer contribution rate will increase in 2019/20 from 18.062% to **19.721%** for an increase of **\$647,010**
(Note: The cost of each 1% increase in the PERS rate is approximately \$390,000.)
- E. The full-time faculty obligation (FON) for Fall 2019 is estimated at 381. The District will recruit to replace **18** faculty vacancies and recruit 15 new faculty. SAC is recruiting for 24 positions (**14** replacement, 10 new). SCC is recruiting for 9 positions (4 replacement, 5 new). Assuming all are successful recruitments, the District expects to meet its obligation. The current cost for a new position is budgeted at Class VI, Step 12 at approximately \$144,808. Penalties for not meeting the obligation amount to approximately \$77,063 per FTE not filled.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/18 for hourly faculty is \$1,345. Increase of \$70 per LHE.
- G. Retiree Health Benefit Fund (OPEB/GASB 45 Obligation) - The District will increase the employer payroll contribution rate of 3.63% to **4.00%** of total salaries to fund the total actuarially determined Annual Required Contribution (ARC).
The calculated ARC as of July 1, 2018 was reduced to \$12,698,406. The net effect is an unrestricted general fund saving of \$1,025,806.
- H. Capital Outlay Fund - The District will continue to budget \$1.5 million for capital outlay needs.
- I. Utilities cost increases of 2.5%, estimated at \$100,000.
- J. Information Technology licensing contract escalation cost of 7%, estimated at \$125,000.
- K. Property and Liability Insurance transfer estimated at \$1,970,000. Unchanged.
- L. Other additional DS/Institutional Cost expenses: No requests have been submitted to date.
- | | |
|---|---|
| 2 Part-time District Safety Officers (armed) | \$44,776 |
| HR Requests OT \$306,618 | OG \$308,751 (See attachment) |
- M. Child Development Fund - The District will continue to budget \$250,000 as an interfund transfer from the unrestricted general fund as a contingency plan. (\$140,000 each year was transferred since 2014/15 and expected again in 2018/19)
- N. Estimated annual cost of Santiago Canyon College ADA Settlement expenses of \$2 million from available funds.

Augmentation Request
2019/2020

	A	B	C	D	E	F	G
1	VENDOR	REQUESTED AUGMENTATION	ONE TIME COST	ON GOING COST	OFF SET SAVINGS	NET ONGOING	
2							
3	Neogov	\$47,200	x	\$41,749	\$36,167	\$5,582	I GreenTree
4	recruitment, onboarding, position control, performance management						Applicant tracking , onboarding
5	Ferrilli	\$150,000	X				
6	staff augmentation in technology (John Birk's position salary savings)and consultation in Colleague HR module configuration , partner with ITS						
7	Ferrilli	\$15,000	X				
8	consultation HR & payroll functional and technical systems						
9	Staff augmentation	\$53,169		\$75,739	\$22,571	\$53,169	currently part time position
10	increase part time Intermediate Clerk to Full time; HR to manage the form 700, support new HR requirements in I-9, onboarding and clerical support,partner with ITS						
11	District classification study (tentative)	\$100,000	X				
12							
13	District Professional Development	\$75,000		X		\$75,000	
14							
15	Legal - Current Budget \$50,000 Current need is \$225,000	\$175,000		X		\$175,000	
16							
17		\$615,369	\$306,618			\$308,751	

Rancho Santiago Community College District Unrestricted General Fund Summary 2019-20 Adopted Budget Assumptions Analysis June 26, 2019

	<u>New Revenues</u>	Ongoing Only	One-Time
A	Student Centered Funding Formula (see note below)		
B	COLA 3.26%	\$5,719,133	
B	Growth	\$0	
B	Deficit Factor est	\$1,104,002	
D	Unrestricted Lottery	(\$345,881)	
H	Mandates Block Grant	(\$59,357)	
I	Non-Resident Tuition	\$200,000	
J	Interest Earnings	\$575,000	
L	Apprenticeship - SCC	\$800,000	
EGHK	Misc Income	(\$79,241)	
	Total	\$7,913,656	\$0
	<u>New Expenditures</u>		
B	COLA 3.26%	\$5,719,133	
C	Step/Column	\$2,057,324	
D	Health and Welfare/Benefits Increase (3.5% for 1/2 yr)	\$1,202,854	
D	CalSTRS Increase	\$608,058	
D	CalPERS Increase	\$647,010	
D	Decreased Cost of WCI	(\$822,293)	
E	Full Time Faculty Obligation Hires	\$2,172,120	
E/F	Hourly Faculty Budgets (Convert to Full Time)	(\$605,250)	
G	Decreased Cost of Retiree Health Benefit ARC	(\$1,025,806)	
H	Capital Outlay/Scheduled Maintenance Contribution	\$0	
I	Utilities Increase	\$100,000	
J	ITS Licensing/Contract Escalation Cost	\$125,000	
K	Property, Liability and All Risks Insurance	\$0	
II.L	Apprenticeship - SCC	\$535,000	
L	Other Additional DS/Institutional Costs	\$353,527	\$306,618
N	SCC ADA Settlement Costs	\$2,000,000	\$0
	Total	\$13,066,677	\$306,618
	2019-20 Budget Year Unallocated (Deficit)	(\$5,153,021)	
	2018/19 Structural Unallocated (Deficit)	\$3,009,134	
	2018/19 Additional cost of remaining CB settlements	(\$581,550)	
	2018/19 Additional full-time faculty revenue	\$1,307,884	
	Difference of 17/18 settle up with Exhibit E	\$237,078	
	Savings Faculty replacement budget at VI-12	\$326,659	
	Savings 18/19 all employees - budgeted vs actual	\$1,271,428	
	Total Net Unallocated (Deficit)	\$417,612	(\$306,618)

On March 6th, the Chancellor's Office posted a "first draft" of the P1 apportionment report for 2018-19. This was their first attempt at reporting under the SCFF model. On April 26th they issued an "April Revision" correcting some errors and making some updates, however this version is not complete either. The Chancellor's Office has indicated that they anticipate any deficit will be backfilled for 2018-19. We are therefore removing the deficit factor and not including any budget reduction in these 2019-20 Budget Assumptions until more information is known.

* Reference to budget assumption number

**RSCCD - Estimate 2019-20 Revenue Allocation Simulation for Unrestricted General Fund -- FD 11
Based on Student Centered Funding Formula - Hold Harmless Calculation 2017-18 TCR + COLA**

	SAC/CEC	SAC	CEC	SCC/OEC	SCC	OEC	District Services	Institutional Cost	TOTAL
APPORTIONMENT REVENUE (ALLOCATIONS)									
Basic	\$ 6,529,605	\$ 5,223,684	\$ 1,305,921	\$ 5,223,682	\$ 3,917,761	\$ 1,305,921			\$ 11,753,287
Base - 18/19 P1	\$ 77,387,006	\$ 59,502,869	\$ 17,884,137	\$ 33,434,999	\$ 26,119,421	\$ 7,315,578			\$ 110,822,005
Supplemental - 18/19 P1	\$ 16,809,613	\$ 16,809,613	\$ -	\$ 6,271,003	\$ 6,271,003	\$ -			\$ 23,080,616
Student Success - 18/19 P1	\$ 12,952,773	\$ 12,952,773	\$ -	\$ 6,242,207	\$ 6,242,207	\$ -			\$ 19,194,980
Stabilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
Subtotal	\$ 113,678,996	\$ 94,488,938	\$ 19,190,058	\$ 51,171,892	\$ 42,550,393	\$ 8,621,499			\$ 164,850,888
COLA - 2.71% - 18/19	\$ 3,080,701	\$ 2,560,650	\$ 520,051	\$ 1,386,758	\$ 1,153,116	\$ 233,643			\$ 4,467,459
COLA - 3.46% - 19/20	\$ 4,185,792	\$ 3,479,192	\$ 706,600	\$ 1,884,208	\$ 1,566,755	\$ 317,454			\$ 6,070,000
Deficit Coefficient (0.656%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
TOTAL ESTIMATED APPORTIONMENT REVENUE	\$ 120,945,489	\$ 100,528,780	\$ 20,416,709	\$ 54,442,858	\$ 45,270,263	\$ 9,172,595			\$ 175,388,347
<i>Percentages</i>	<i>68.96%</i>	<i>57.32%</i>	<i>11.64%</i>	<i>31.04%</i>	<i>25.81%</i>	<i>5.23%</i>			
OTHER STATE REVENUE									
Lottery, Unrestricted	\$ 2,860,397	\$ 2,216,136	\$ 644,261	\$ 1,221,672	\$ 961,162	\$ 260,510			\$ 4,082,069
State Mandate	\$ 555,578	\$ 555,578	\$ -	\$ 237,249	\$ 237,249	\$ -			\$ 792,827
Full-Time Faculty Hiring Allocation	\$ 871,966	\$ 871,966	\$ -	\$ 435,918	\$ 435,918	\$ -			\$ 1,307,884
Part-Time Faculty Compensation	\$ 486,360	\$ 373,972	\$ 112,388	\$ 207,691	\$ 162,246	\$ 45,445			\$ 694,051
Subtotal, Other State Revenue	\$ 4,774,302	\$ 4,017,653	\$ 756,649	\$ 2,102,529	\$ 1,796,575	\$ 305,954			\$ 6,876,831
TOTAL ESTIMATED REVENUE	\$ 125,719,791	\$ 104,546,433	\$ 21,173,358	\$ 56,545,387	\$ 47,066,838	\$ 9,478,549			\$ 182,265,178
<i>Percentages</i>	<i>68.98%</i>	<i>57.36%</i>	<i>11.62%</i>	<i>31.02%</i>	<i>25.82%</i>	<i>5.20%</i>			
Less Institutional Cost Expenditures									\$ 7,611,660
Less Net District Services Expenditures									\$ 35,061,857
									\$ 139,591,661
ESTIMATED REVENUE	\$ 96,285,174	\$ 80,069,108	\$ 16,216,066	\$ 43,306,487	\$ 36,047,138	\$ 7,259,348			\$ 139,591,661
BUDGET EXPENDITURES FOR FY 2019-20									
SAC/CEC Expenses - F/T & Ongoing	\$ 97,733,630	\$ 86,313,061	\$ 11,420,569						\$ 97,733,630
SCC/OEC Expenses - F/T & Ongoing				\$ 47,763,274	\$ 41,070,188	\$ 6,693,086			\$ 47,763,274
District Services Expenses - F/T & Ongoing							\$ 32,589,311		\$ 32,589,311
Institutional Cost									
Retirees Instructional-local experience charge								\$ 3,439,865	\$ 3,439,865
Retirees Non-Instructional-local experience charge								\$ 4,326,795	\$ 4,326,795
Property & Liability								\$ 1,970,000	\$ 1,970,000
Election								\$ 125,000	\$ 125,000
Interfund Transfer								\$ 1,750,000	\$ 1,750,000
TOTAL ESTIMATED EXPENDITURES	\$ 97,733,630	\$ 86,313,061	\$ 11,420,569	\$ 47,763,274	\$ 41,070,188	\$ 6,693,086	\$ 32,589,311	\$ 11,611,660	\$ 189,697,875
Percent of Total Estimated Expenditures	51.52%	45.50%	6.02%	25.18%	21.65%	3.53%	17.18%	6.12%	
ESTIMATED EXPENSES UNDER/(OVER) REVENUE	\$ (1,448,456)	\$ (6,243,953)	\$ 4,795,497	\$ (4,456,787)	\$ (5,023,050)	\$ 566,262			\$ (5,905,243)

OTHER STATE REVENUE									
Apprenticeship				\$ 3,557,300	\$ 3,557,300				\$ 3,557,300
Enrollment Fees 2%								\$ 293,254	\$ 293,254
LOCAL REVENUE									
Non Resident Tuition	\$ 2,400,000	\$ 2,400,000		\$ 1,000,000	\$ 1,000,000				\$ 3,400,000
Interest/Investments								\$ 1,000,000	\$ 1,000,000
Rents/Leases	\$ 48,480	\$ 48,480		\$ 125,000	\$ 125,000		\$ 205,000		\$ 378,480
Proceeds-Sale of Equipment								\$ 5,000	\$ 5,000
Other Local								\$ 24,200	\$ 24,200
Subtotal, Other Local Revenue	\$ 2,448,480	\$ 2,448,480	\$ -	\$ 4,682,300	\$ 4,682,300	\$ -	\$ 205,000	\$ 1,322,454	\$ 8,658,234
ESTIMATED ENDING BALANCE FOR 6/30/20	1,000,024	\$ (3,795,473)	\$ 4,795,497	225,513	\$ (340,750)	\$ 566,262			\$ 1,225,537

RSCCD - 2018-19 Adopted Budget SB 361 Revenue Allocation Simulation for Unrestricted General Fund -- FD 11
Based on 17-18 Annual Period Reported FTES

	SAC/CEC	SAC	CEC	SCC/OEC	SCC	OEC	District Services	Institutional Cost	TOTAL
APPORTIONMENT REVENUE									
Base Allocation	\$ 4,866,179	\$ 4,866,179		\$ 3,649,633	\$ 3,649,633				\$ 8,515,812
Grandfathered or Approved Center Stabilization	\$ 1,216,545		\$ 1,216,545	\$ 1,216,545		\$ 1,216,545			\$ 2,433,090
FTES Base	\$ 107,122,872	\$ 86,214,210	\$ 20,908,662	\$ 46,541,637	\$ 37,515,200	\$ 9,026,437			\$ 153,664,509
Subtotal	\$ 113,205,596	\$ 91,080,389	\$ 22,125,207	\$ 51,407,815	\$ 41,164,833	\$ 10,242,982			\$ 164,613,411
Projected COLA - 2.71%	\$ 3,108,871	\$ 2,469,538	\$ 639,333	\$ 1,358,987	\$ 1,074,593	\$ 284,394			\$ 4,467,858
Estimated Restoration/Access/Growth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
Deficit Coefficient (0.656%)	\$ (768,198)	\$ (610,220)	\$ (157,978)	\$ (335,804)	\$ (265,531)	\$ (70,273)			\$ (1,104,002)
Base Increase in FY 18-19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ -
TOTAL ESTIMATED APPORTIONMENT REVENUE	\$ 115,546,269	\$ 92,939,708	\$ 22,606,561	\$ 52,430,998	\$ 41,973,896	\$ 10,457,102			\$ 167,977,267
<i>Percentages</i>	68.79%	55.33%	13.46%	31.21%	24.99%	6.23%			
OTHER STATE REVENUE									
Lottery, Unrestricted	\$ 3,162,416	\$ 2,527,619	\$ 634,796	\$ 1,374,370	\$ 1,091,994	\$ 282,376			\$ 4,536,786
State Mandate	\$ 592,975	\$ 592,975	\$ -	\$ 259,209	\$ 259,209	\$ -			\$ 852,184
Part-Time Faculty Compensation	\$ 482,942	\$ 383,626	\$ 99,316	\$ 211,109	\$ 166,931	\$ 44,179			\$ 694,051
Subtotal, Other State Revenue	\$ 4,238,333	\$ 3,504,220	\$ 734,112	\$ 1,844,688	\$ 1,518,134	\$ 326,555			\$ 6,083,021
TOTAL ESTIMATED REVENUE	\$ 119,784,602	\$ 96,443,928	\$ 23,340,673	\$ 54,275,687	\$ 43,492,030	\$ 10,783,657			\$ 174,060,288
<i>Percentages</i>	68.82%	55.41%	13.41%	31.18%	24.99%	6.20%			
Less Institutional Cost Expenditures									\$ 11,387,604
Less Net District Services Expenditures									\$ 29,507,319
									\$ 133,165,365
ESTIMATED REVENUE	\$ 91,641,582	\$ 73,784,727	\$ 17,856,855	\$ 41,523,783	\$ 33,273,713	\$ 8,250,070			\$ 133,165,365
BUDGET EXPENDITURES FOR FY 2018-19									
SAC/CEC Expenses	\$ 91,606,954	\$ 80,640,999	\$ 10,965,955						\$ 91,606,954
SCC/OEC Expenses				\$ 44,680,057	\$ 38,368,918	\$ 6,311,139			\$ 44,680,057
District Services Expenses							\$ 30,859,773		\$ 30,859,773
Institutional Cost									
Retirees Instructional-local experience charge								\$ 3,226,250	\$ 3,226,250
Retirees Non-Instructional-local experience charge								\$ 4,316,354	\$ 4,316,354
Property & Liability								\$ 1,970,000	\$ 1,970,000
Election								\$ 125,000	\$ 125,000
Interfund Transfer								\$ 1,750,000	\$ 1,750,000
TOTAL ESTIMATED EXPENDITURES	\$ 91,606,954	\$ 80,640,999	\$ 10,965,955	\$ 44,680,057	\$ 38,368,918	\$ 6,311,139	\$ 30,859,773	\$ 11,387,604	\$ 178,534,388
Percent of Total Estimated Expenditures	51.31%	45.17%	6.14%	25.03%	21.49%	3.53%	17.29%	6.38%	
ESTIMATED EXPENSES UNDER/(OVER) REVENUE	\$ 34,628	\$ (6,856,272)	\$ 6,890,900	\$ (3,156,274)	\$ (5,095,205)	\$ 1,938,931			\$ (3,121,646)
OTHER STATE REVENUE									
Apprenticeship				\$ 2,757,300	\$ 2,757,300				\$ 2,757,300
Enrollment Fees 2%								\$ 293,254	\$ 293,254
LOCAL REVENUE									
Non Resident Tuition	\$ 2,400,000	\$ 2,400,000		\$ 800,000	\$ 800,000				\$ 3,200,000
Interest/Investments								\$ 825,000	\$ 825,000
Rents/Leases	\$ 48,480	\$ 48,480		\$ 125,000	\$ 125,000		\$ 205,000		\$ 378,480
Proceeds-Sale of Equipment								\$ 5,000	\$ 5,000
Other Local								\$ 24,200	\$ 24,200
Subtotal, Other Local Revenue	\$ 2,448,480	\$ 2,448,480	\$ -	\$ 3,682,300	\$ 3,682,300	\$ -	\$ 205,000	\$ 1,147,454	\$ 7,483,234
ESTIMATED ENDING BALANCE FOR 6/30/19									\$ 3,009,134

Vacant Funded Positions as of 6/27/2019 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Position ID	Title	Reasons	Site	Effective Date	Notes	2018-19 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Bhandari, Archana	SSAS-UF-DIR2	Support Services	Resignation	District	2/5/2019	CL19-1279	63,159	
11	Birk, John	SHR-UF-DIR	Director, Information System	Retirement	District	7/11/2019			
11	Bland, Antoinette	SSAFE-UF-CHIEF	Chief, District Safety & Security	Retirement	District	12/10/2018	Michael Toledo#1446793 Interim Assignment 12/11/18-6/30/19. Board docket 11/26/2018	77,976	
11	Iannaccone, Judith	SPAG-UF-DIR	Director, Public Affairs & Publications	Retirement	District	8/31/2018		164,050	332,622
50%-fd 11 50%-fd 12	Santoyo, Sarah	SRDEV-UF-DIRX	Executive Director Resource Development	Promotion	District	1/28/2019		27,438	
11	New-Psychologist AC19-0719				SAC		AC19-0719		
11	New-Assistant Professor of Physics AC19-0720				SAC		AC19-0720		
11	New-Assistant Professor of Communication Studies AC19-0722				SAC		AC19-0722		
11	New-Assistant Professor of Psychology AC19-0723				SAC		AC19-0723		
11	New-Assistant Professor of American Sign Language AC19-0724				SAC		AC19-0724		
11	New-Assistant Professor of Chemistry AC19-0730				SAC		AC19-0730		
11	New-Assistant Professor of Fire Technology AC19-0734				SAC		AC19-0734		
11	New-Assistant Professor of Culinary Arts AC19-0735				SAC		AC19-0735		
11	New-Assistant Professor of Occupational Therapy AC19-0736				SAC		AC19-0736		
11	New-Assistant Professor of Library Science AC19-0740				SAC		AC19-0740		
11	Abejar, Esmeralda	1ADMS-UF-MGR	Director, Campus Budget & Accounting	Resignation	SAC	12/14/2018	Mark Reynoso Interim Assignment 12/12/18-6/30/19	86,136	
11	Brown, Laurence	1CMST-FF-IN	Instructor, Comm Studies	Retirement	SAC	6/7/2019		-	
11	Budarz, Timo	1PHYS-FF-IN	Instructor, Physics	Resignation	SAC	10/26/2018		114,486	
11	English, Noemi	1DSL-FF-IN	Instructor, Automotive Technology/Engine	Resignation	SAC	10/8/2018		105,390	
11	Giroux, Regina	1NURS-FF-IN	Instructor, Nursing	Retirement	SAC	12/15/2018		103,402	
11	Hammonds, Elvin G.	1AUTO-FF-IN	Instructor, Automotive Technology	Retirement	SAC	5/31/2018	AC19-0728 Assistant Professor of Automotive Technology AC19-0752 Carolyn Breeden Interim Assignment 3/6/19-6/30/19. Carol Comeau Interim Assignment 8/13/18-3/5/19.	160,786	
11	Hoffman, Bart	1HST-AF-DN	Dean, Human Svcs & Technology	Promotion	SAC	2/14/2019		162,239	
11	Holder, Vera M.	1CMST-FF-IN	Instructor, Communication Studies	Retirement	SAC	6/7/2019		-	
11	Hyman, Deborah	1OTA-FF-IN	Occup Therapy Asst	Retirement	SAC	6/2/2018	AC19-0737 Assistant Professor of BS Occupational Studies	121,960	
11	Jaffray, Shelly C.	1HSS-AF-DN	Dean, Humanities & Social Sciences	Retirement	SAC	6/30/2019	AC19-0751	-	
11	Kashi, Majid	1MATH-FF-IN	Professor, Mathematics	Retirement	SAC	5/31/2018	Nursing	136,968	1,924,748
11	Lewis, Michael L.	1EMLS-FF-IN2	Instructor, ESL Writing	Retirement	SAC	6/8/2019		-	
11	Moreno, George	1WELD-FF-IN	Instructor, Welding	Resignation	SAC	6/1/2018	Hired Zachary Diamond#2395754 AC18-0677		
11	Nguyen, Michael T.	1CMPR-FF-IN	Computer Info System	Retirement	SAC	8/10/2018	AC19-0718 Assistant Professor/Counselor	131,347	
11	Ortiz, Fernando	1ACA-NF-CORD9	Coordinator, Guided Pathways	Promotion	SAC	4/1/2019		14,943	
11	Priest, Michelle A.	1SMHS-AF-DN	Dean, Science, Math & Health Sciences	Resignation	SAC	6/30/2019	AC19-0712 Rebecca Miller Interim Assignment 3/6/19-6/30/19. Carolyn Breeden Interim Assignment 1/28/19-3/5/2019.	-	
11	Quinn, Nicole J.	1ANTH-FF-IN	Instructor, Anthropology	Resignation	SAC	5/31/2018	AC19-0725 Assistant Professor of Criminal Justice	122,539	
11	Mitner, Rita		AC18-0671 Assistant Professor American Sign Language	Retirement	SAC	6/5/2018	AC19-0729 Assistant Professor of Automotive Technology	136,968	
11	Sadler, Dennis	1CNLSL-NF-CN1	Counselor/Instructor	Retirement	SAC	6/30/2019		-	
11	Serrano, Maximiliano H.	1AUTO-FF-IN	Instructor, Automotive Technology	Resignation	SAC	10/5/2018		102,822	
11	Sherod, Susan M.	1ENGR-FF-IN	Engineering Instructor	Retirement	SAC	6/30/2019		-	
11	Sneddon, Marta	1CJA-FF-IN	Instructor, CJ/Fire Academy	Retirement	SAC	6/8/2019		-	
11	Thornton, Shantel L.	1PSYC-FF-IN	Instructor, Psychology	Termination	SAC	5/31/2018	AC19-0733 Assistant Professor of Criminal Justice	129,301	
11	Utsuki, Melissa	1PAG-UF-OFCR	Public Information Officer	Resignation	SAC	3/29/2019	Short Term Substitute Homo, Patricia #2429652 3/21/19-6/30/19	21,524	
11	Vega, Kennethia J.	1PRES-OF-ASPR	Assistant to the President	Lateral	SAC	2/28/2019		44,791	
11	Vercellii, Julia C.	1OCO-NF-CN3	Counselor	Retirement	SAC	6/30/2018		159,646	
11	Wright, George	1CJ-FF-IN	Instructor, Criminal Justice	Retirement	SAC	12/15/2018		69,499	
11	New-Assistant Professor of Chemistry AC19-0726				SCC		AC19-0726		
11	New-Assistant Professor of Kinesiology AC19-0727				SCC		AC19-0727		
11	New-Assistant Professor of English AC19-0731				SCC		AC19-0731		
11	New-Assistant Professor of Communication AC19-0732				SCC		AC19-0732		
11	New-Assistant Professor of Real Estate AC19-0739				SCC		AC19-0739		

Vacant Funded Positions as of 6/27/2019 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Position ID	Title	Reasons	Site	Effective Date	Notes	2018-19 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Geissler, Joseph	2LIB-NF-LIB	Librarian	Deceased	SCC	3/9/2019		32,808	
11	Hovanitz, Eric W	2ERTH-FF-IN	Instructor, Geology/Earth & Space Science	Retirement	SCC	6/7/2019	AC18-0706 Assistant Professor of Earth Science	-	465,973
11	Lawson, Cassell A.	2CAR-AF-DN	Dean, Business & Career Technical Education	Resignation	SCC	5/27/2019	Elizabeth Arteaga Interim Assignment 6/30/19	18,785	
11	Rizvi, Syed A.	2ESS-AF-DN	Dean-Enrollment & Support Services	Promotion	SCC	3/1/2018	Jennifer Coto Interim Assignment 7/1/19-8/31/19	199,296	
11	Williams, Alison M.	2MATH-FF-IN	Instructor, Math	Resignation	SCC	8/9/2018	AC18-0705 Assistant Professor of Mathematics	131,001	
11	Wright, Kelley Laney	2MATH-FF-IN	Instructor, Math	Resignation	SCC	12/15/2018	AC18-0707 Assistant Professor/Counselor	84,082	
								2,723,343	
	Classified		Title	Reasons		Effective Date	Notes	2018-19 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Buzzone, Lisa	5PAY-CF-SPPA1	Payroll Specialist	Probational Dismissal	District	6/14/2019			
11	Chen, Yusue (Rosa)	5APPS-CF-SPA3F	Applications Specialist III	Retirement	District	6/3/2019	CL19-1289	-	
11	Gonzalez, Jaime	5SSP-CM-DSO12	P/T District Safety Officer	Resignation	District	8/27/2017		21,984	21,984
60%-fd 11									
40%-fd 12	Greenhalgh, Scott B	5YSP-CF-DSOS6	Senior District Safety Officer	Resignation	District	7/12/2019			
60%-fd 11									
40%-fd 12	Rabiola, Anthony	5SSP-CF-DSO10	District Safety Officer	Medical Layoff	District	6/21/2019		-	
70%-fd 11									
30%-fd 12	Adame, Patricia A.	10AD-CF-SECA2	Administrative Secretary	Retirement	CEC	12/30/2019			
11	Garcia, Elsa M.	1PAG-CF-SECA	Administrative Secretary	Resignation	SAC	6/19/2019			
11	Hernandez, Pamela J.	1HSS-CF-SECA3	Administrative Secretary	Retirement	SAC	7/31/2019		-	
50%-fd 11									9,313
50%-fd 12	Nguyen, Trang T.	1ADM-CF-SPC2D	Admission/Records Specialist II	Promoted	SAC	3/2/2019		9,313	
11	Ramirez, Martha	1HSS-CF-SECA2	Administrative Secretary	Retirement	SAC	6/7/2019		-	
14%-fd 11									
86%-fd 12	Berganza, Leyvi C	2OSS-CF-SPOR1	High School & Community Outreach Specialist	Promotion	OEC	3/19/2017		13,268	
11	Gitonga, Kanana	2INTL-CF-CORD	International Student Coordinator	Retirement	SCC	1/31/2019	WOC Esther Meade 1/1/19-5/31/19	53,192	78,883
11	Huerta, Alfonso	2MDIA-CF-TECH1	Media Systems Elec Tec	Retirement	SCC	8/31/2019			
60%-fd 11									
40%-fd 12	Kings, Luis A.	20AR-CF-CLAD4	Administrative Clerk	Retirement	OEC	5/6/2019	CL19-1286	-	
11	Ner, Florence	2ADMS-CF-ACTS2	Senior Accountant	Resignation	SCC	6/12/2019	CL19-1291		
11	Padron, Baltimore	2FINA-CF-ANYS4	Financial Aid Analyst	Promotion	SCC	5/1/2019			
				Probational					
11	Perez, Justin J.	2CUS-CM-CUS5	Custodian	Dismissal	SCC	4/18/2019	CL19-1293	1,489	
11	Tran, Duy T.	20CU-CF-CUS6	Custodian	Medical Layoff	SCC	4/18/2019	CL19-1292	10,934	
								110,180	
TOTAL								2,833,523	

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE Q

Projects Cost Summary

05/31/19 on 06/04/19

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2018-2019		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3035/ 3056	Johnson Student Center	58,532,152	2,894,922	5,007,227	47,065,531	54,967,680	3,564,472	94%
	Agency Cost		375,487	99,170	2,982	477,639		
	Professional Services		2,517,260	717,035	3,646,666	6,880,961		
	Construction Services		2,175	4,191,022	43,415,882	47,609,079		
	Furniture and Equipment		-	-	-	-		
3049	Science Center & Building J Demolition	70,480,861	12,903,939	20,464,226	25,030,794	58,398,959	12,081,902	83%
	Agency Cost		423,648	3,615	1,696	428,959		
	Professional Services		4,962,728	1,520,830	2,976,655	9,460,213		
	Construction Services		7,517,563	18,939,781	21,849,592	48,306,937		
	Furniture and Equipment		-	-	202,850	202,850		
TOTAL ACTIVE PROJECTS		129,013,013	15,798,861	25,471,453	72,096,324	113,366,639	15,646,374	88%
CLOSED PROJECTS								
3032	Dunlap Hall Renovation	12,620,659	12,620,659	-	-	12,620,659	0	100%
	Agency Cost		559	-	-	559		
	Professional Services		1,139,116	-	-	1,139,116		
	Construction Services		11,480,984	-	-	11,480,984		
	Furniture and Equipment		-	-	-	-		
3042	Central Plant Infrastructure	57,277,129	57,052,336	224,793	-	57,277,129	0	100%
	Agency Cost		416,740	-	-	416,740		
	Professional Services		9,381,093	222,502	-	9,603,595		
	Construction Services		47,216,357	-	-	47,216,357		
	Furniture and Equipment		38,146	2,291	-	40,437		
3043	17th & Bristol Street Parking Lot	198,141	198,141	-	-	198,141	0	100%
	Agency Cost		16,151	-	-	16,151		
	Professional Services		128,994	-	-	128,994		
	Construction Services		52,996	-	-	52,996		
	Furniture and Equipment		-	-	-	-		
TOTAL CLOSED PROJECTS		70,095,929	69,871,135	224,793	0	70,095,928	0	100%
GRAND TOTAL ALL PROJECTS		199,108,942	85,669,997	25,696,246	72,096,324	183,462,567	15,646,374	92%
SOURCE OF FUNDS								
	ORIGINAL Bond Proceeds	198,000,000						
	Interest Earned	1,108,942						
	Totals	199,108,942						

Rancho Santiago Community College
FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary
FY 2018-19, 2017-18, 2016-17
YTD Actuals- May 31, 2019

	FY 2018/2019											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	\$37,903,213	\$41,278,430	\$35,159,998	\$35,436,966	\$27,563,751	\$25,847,374	\$39,413,841	\$39,380,695	\$28,801,939	\$28,374,489	\$39,116,369	\$30,709,262
Total Revenues	12,626,143	6,732,548	14,600,385	7,442,505	17,105,605	29,957,387	14,004,082	6,570,808	15,379,629	26,037,945	9,298,822	0
Total Expenditures	9,250,925	12,850,980	14,323,417	15,315,721	18,821,982	16,390,920	14,037,228	17,149,564	15,807,079	15,296,065	17,705,930	0
Change in Fund Balance	3,375,218	(6,118,432)	276,968	(7,873,215)	(1,716,377)	13,566,466	(33,145)	(10,578,756)	(427,450)	10,741,880	(8,407,107)	0
Ending Fund Balance	41,278,430	35,159,998	35,436,966	27,563,751	25,847,374	39,413,841	39,380,695	28,801,939	28,374,489	39,116,369	30,709,262	30,709,262

	FY 2017/2018											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	\$35,254,317	\$40,165,384	\$34,555,513	\$34,261,380	\$26,080,179	\$27,224,885	\$42,521,590	\$43,680,834	\$33,946,676	\$32,674,972	\$35,963,224	\$26,790,583
Total Revenues	13,230,747	6,401,471	13,730,226	7,947,537	17,388,889	29,510,148	14,345,552	4,546,656	15,319,442	17,749,412	6,431,657	38,131,074
Total Expenditures	8,319,680	12,011,343	14,024,358	16,128,738	16,244,183	14,213,443	13,186,308	14,280,814	16,591,146	14,461,160	15,604,298	27,018,444
Change in Fund Balance	4,911,068	(5,609,872)	(294,132)	(8,181,201)	1,144,706	15,296,705	1,159,244	(9,734,158)	(1,271,704)	3,288,252	(9,172,641)	11,112,630
Ending Fund Balance	40,165,384	34,555,513	34,261,380	26,080,179	27,224,885	42,521,590	43,680,834	33,946,676	32,674,972	35,963,224	26,790,583	37,903,213

	FY 2016/2017											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	\$36,934,285	\$43,339,545	\$38,688,887	\$42,888,559	\$35,251,863	\$37,089,867	\$44,994,813	\$45,583,312	\$29,932,160	\$29,972,359	\$31,677,983	\$19,898,488
Total Revenues	13,317,549	7,899,458	17,481,417	7,032,694	17,260,075	21,386,237	13,039,249	1,848,175	14,033,540	21,401,470	6,295,496	35,646,442
Total Expenditures	6,912,289	12,550,116	13,281,745	14,669,390	15,422,071	13,481,291	12,450,751	17,499,326	13,993,341	19,695,846	18,074,991	20,290,613
Change in Fund Balance	6,405,260	(4,650,658)	4,199,672	(7,636,696)	1,838,004	7,904,946	588,498	(15,651,151)	40,199	1,705,624	(11,779,495)	15,355,829
Ending Fund Balance	43,339,545	38,688,887	42,888,559	35,251,863	37,089,867	44,994,813	45,583,312	29,932,160	29,972,359	31,677,983	19,898,488	35,254,317

Fiscal Resources Committee
Executive Conference Room – District Office
1:30 p.m. – 3:00 p.m.

Meeting Minutes for May 23, 2019

FRC Members Present: Adam O'Connor, Bart Hoffman, Monica Zarske, Arleen Satele, Steven Deeley, and Maria Gil

Alternates/Guests Present: James Kennedy, Roy Shabazian, Tracie Green, George Walters (Cambridge West Partnership Consultants), Mark Reynoso and Brenda Furlong

1. Welcome: Mr. O'Connor called the meeting to order at 1:33 p.m.
2. State/District Budget Update
Mr. O'Connor briefly referenced the various documents provided in the meeting materials, especially those related to the May Revise.
 - 2018-19 P1 – April Revision
 - Governor's May Revise
 - LAO – Initial Comments on the Governor's May Revision
 - LAO – Overview of the May Revision Proposition 98 Package
 - LAO – Overview of the May Revision Proposition 98 Package-051319
 - LAO – Analysis of the May Revision Education Proposals
 - CCCCCO, ACCCA, ACBO and CCLC – May Revise Analysis
 - SSC – Estimated SCFF Funding Rates for 2019-20
 - SSC – Statutory COLA for 2019-20 is 3.26%
 - SSC – 2019-20 CalPERS Rate and Updated Out-Year Estimates
 - SSC – Initial Impressions From Governor Newsom's 2019-20 May Revision
 - SSC – Estimate of Out-Year COLAs Available Now
 - SSC – SCFF Trailer Bill Language Released
 - SSC – LAO Recommendations on CalSTRS Rate Relief and SCFF Hold Harmless
 - 5/13/2019 Budget Presentation to Board of Trustees
Mr. O'Connor reviewed (and distributed copies of) the presentation that Mr. Hardash shared with the Board of Trustees on May 13. Highlights include:
 - May revision came out on May 9; however the revision isn't a final budget. Tentative budget is a placeholder. State revenue is projecting to be a little higher at \$3.2 billion over the two fiscal years. Proposition 98 funding was briefly discussed. Only \$746 million is available to K-14 with constraints and \$389 million to Prop 2 Reserve Account. Community College allocation is largely unchanged with the exception of COLA being slightly less at 3.26%. There was a decrease to the expected STRS increase and an increase to PERS of which will be reflected in the adopted budget. There are one time funds for scheduled maintenance projects based on FTES with RSCCD receiving approximately \$900,000. RSCCD is looking at being a "hold harmless" district; receiving 2017/18 TCR plus 2018/19 COLA, plus 2019/20 COLA. The deficit factor has been taken out of our budget at this time. Mr. O'Connor reiterated what Mr. Walters shared relative to proposed changes and keeping to 70/20/10 split for additional year and adding 4th year as hold harmless, but LAO is not supportive. Current year budget is worse off than previous budget. Briefly discussed \$5 million given to the campuses in 2018/19 that is no longer available and reduced from the 2019/20 budget. Ms. Satele noted that SCC is able to cover costs from 11 funds, but the 13 funds will be necessary to cover adjunct faculty costs.

3. 2019-20 Proposed Tentative Budget – **Recommendation to District Council**

- Mr. O'Connor briefly reviewed the tentative budget (pages 90-118 of meeting materials). Specifically referencing page 92 noted COLA will be 3.26% instead of 3.46% and will be adjusted in the adopted budget. \$1.1 million has been the apportionment deficit factor estimate for several years. For the tentative budget, the deficit factor has been taken out due to the new SCFF model. It is hoped RSCCD will receive all the funds estimated which leaves no extra cushion built in. Line "I" increased by \$200,000 because SCC is earning more than budget for international students while there is no change at SAC. Line "L" apprenticeship revenue is being budgeted at \$800,000 higher; however, there is no offsetting increase to cover expenses/costs. SCC will need to figure out how to fund the costs for that program for adopted budget. The expense items all remain the same. Collective bargaining settlements were larger than COLA. There are savings as the result of replacing employees being paid less than those that vacated the positions and how vacancies are budgeted. The \$7.5 million that was designated as new revenue in the SCFF, has now been removed. \$850,000 remaining in the stabilization fund and April P1 statement were discussed. There was a follow-up discussion regarding stabilization with a reference to page 103 of the meeting materials to clarify movement from 7950 (stabilization) to 7930 (Board Policy Contingency at 12.5%).

It was moved by Dr. Hoffman and seconded by Ms. Satele to approve the Tentative Budget as presented. The motion passed unanimously. Mr. O'Connor confirmed the recommendation will move forward to the June 3 District Council and then to the Board of Trustees on June 17.

4. Continued Discussion of SCFF and Review of BAM – Cambridge West Partnership Consultants

Mr. Walters referenced and reviewed page 2 of the meeting materials, Exhibit C, which changed significantly since the last review in March.

The first change is the use of prior two years of 3-year average with special admits being recalculated and pulled out. RSCCD lost \$5 million from \$176 million to \$171 million. Credit was previously reported at 21,234 in the first version of P1, now it is 19,852 with a deduction of \$5.2 million. RSCCD was hit hard due to the change in the formula. \$35 million was re-distributed to hold harmless districts leaving RSCCD with \$345,000 instead of the \$8.9 million. There is \$45 million yet to be calculated and distributed system-wide. There is a major disconnect for the way things were done by the Chancellor's Office and how they are being done now. One thought is everybody takes a cut then there is no deficit. Basic Aid Districts, however, got more money - \$51 million system-wide went to six Basic Aid Districts. Next year's proposal as discussed at the spring ACBO conference will be smaller than the Governor's May Revise.

The metrics will be changing; however the original legislation is being re-examined (refer to page 120 of meeting materials for more details). Mr. Walters distributed a "simplified" version of the recommended changes to the SCFF and briefly discussed each element comparing current law and recommended changes. The total number of outcomes can make a 25-35% difference in dollars. Last year 140,000 AA/ADTs were earned system-wide, but only awarded credit for 85,000. There is a huge population that earns multiple degrees. ADTs currently earning \$2,300 could change to \$5,000. If ADT is worth \$5,000, there is a need to dig into data and track students. If Pell grant or BOG is worth \$8,000 per student, changes may need to be made. The 75-units degree may need to be changed to 60-units instead. A discussion followed about the workgroup and legislation discussing ISAs only applying to agencies that have employees in the program. This is very different for most of the students in those programs. When asked how probable it is to receive rates by

June 15, it was noted the “one” individual at the Chancellor’s Office is running the numbers now; a lot of people are very upset right now.

5. Standing Report from District Council

Ms. Zarske briefly discussed District Council activities specific to the three-day non-payment drop resolutions from SCC and SAC and direction provided by District Council for the College Presidents to review data and financial impact for a future discussion. There were no further questions.

6. Informational Handouts

- District-wide expenditures report link: <https://intranet.rscgd.edu>
- Vacant Funded Position List as of May 17, 2019
- Measure “Q” Project Cost Summary as of April 30, 2019
- Monthly Cash Flow Summary as of April 30, 2019
- SAC Planning and Budget Committee Agendas and Minutes
- SCC Budget Committee Agendas and Minutes

Additional handouts provided at the meeting included:

- Recommended Changes to SCFF

7. Approval of FRC Minutes – April 17, 2019

A motion made by Dr. Hoffman, seconded by Ms. Satele was approved unanimously. The motion passed to approve the minutes of April 17, 2019 as presented.

8. Other

A brief discussion was held about future meetings being on a different day other than Wednesday. This will be discussed again at the next meeting.

Next meeting reminder: Wednesday, July 3, 2019, 1:30 – 3:00 in the Executive Conference Room #114, District Office

This meeting adjourned at 2:15 p.m.