RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: Fiscal Resources Committee

Agenda for May 27, 2015

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

Executive Conference Room #114

1. Welcome

2. State/District Budget Update – Hardash
    - P2 FTES Update
    - Governor's May Revise
    - SSC- Updated Dartboard 2015-16 Governor's May Revision
    - SSC- Statutory COLA for 2015-16 to be 1.02%
    - SSC- Initial Impressions from the Governor's 2015 May Revision
    - SSC- An Overview of the 2015-16 Governor's May Revision
    - SSC- Translating Gains in State Revenue to Revenues for Schools-How does it work?
    - LAO- California Community Colleges May Revision Overview
    - CCLC- Governor's May Revision Supports Student Access, Success, and Equity

3. 2015/16 Proposed Meeting Schedule - **Action**

4. 2015/16 Proposed Tentative Budget – **Recommendation to District Council**

5. Budget Allocation Model (BAM) Review and Update - **Action**

6. Informational Handouts
    - District-wide expenditure report link: https://intranet.rsccd.edu
    - Vacant Funded Position List as of May 20, 2015
    - Measure "E" Project Cost Summary as of April 15, 2015
    - Measure "Q" Project Cost Summary as of April 15, 2015
    - Monthly Cash Flow Summary as of April 30, 2015
    - New Growth Formula and Allocations

7. Approval of FRC Minutes – March 25, 2015

8. Other

Next FRC Committee Meeting: (Executive Conference Room #114 1:30 pm – 3:00 pm)

July 8, 2015

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.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2014-15 FTES TARGET COMPARISON TO ACTUAL

4-13-2015 for P2 FINAL		2013-2014 RECALC (10-20-2014) Annual Reporting			2014-2015 Campus Determined Targets			2014-2015 (P2) Actuals/Estimated Actuals as of 4-13-2015			2014-2015 Better (Worse) 2013-2014 Recalc vs. P2 as of 4-13-2015			2014-2015 Better (Worse) Target vs. P2 as of 4-13-2015		
		TOTAL	SAC	SCC	TOTAL	SAC	SCC	TOTAL	SAC	SCC	TOTAL	SAC	SCC	TOTAL	SAC	SCC
SUMMER 2014																
NC		612.26	446.74	165.52	**547.00**	**407.00**	**140.00**	547.39	407.10	140.29	(64.87)	(39.64)	(25.23)	0.39	0.10	0.29
CR		1,684.37	1,143.15	541.22	**1,531.24**	**1,023.00**	**508.24**	1,529.26	1,020.89	508.37	(155.11)	(122.26)	(32.85)	(1.98)	(2.11)	0.13
SUMMER TOTALS		2,296.63	1,589.89	706.74	**2,078.24**	**1,430.00**	**648.24**	2,076.65	1,427.99	648.66	**(219.98)**	**(161.90)**	**(58.08)**	**(1.59)**	**(2.01)**	**0.42**
FALL																
NC	F	2,376.74	1,766.24	610.50	**2,306.00**	**1,650.00**	**656.00**	2,191.54	1,585.62	605.92	(185.20)	(180.62)	(4.58)	(114.46)	(64.38)	(50.08)
CR																
IS, DSCH		189.82	80.09	109.73	**257.00**	**152.00**	**105.00**	243.81	135.72	108.09	53.99	55.63	(1.64)	(13.19)	(16.28)	3.09
IS, WSCH		426.62	289.01	137.61	**393.00**	**263.00**	**130.00**	363.13	259.77	103.36	(63.49)	(29.24)	(34.25)	(29.87)	(3.23)	(26.64)
DSCH	F	431.80	271.60	160.20	**475.00**	**325.00**	**150.00**	487.06	308.99	178.07	55.26	37.39	17.87	12.06	(16.01)	28.07
Positive	F	1,486.71	1,449.96	36.75	**1,565.00**	**1,525.00**	**40.00**	1,696.71	1,641.46	55.25	210.00	191.50	18.50	131.71	116.46	15.25
WSCH		7,379.94	4,781.49	2,598.45	**7,354.00**	**4,679.00**	**2,675.00**	7,357.30	4,685.11	2,672.19	(22.64)	(96.38)	73.74	3.30	6.11	(2.81)
TOTAL CR		9,914.89	6,872.15	3,042.74	**10,044.00**	**6,944.00**	**3,100.00**	**10,148.01**	**7,031.05**	**3,116.96**	**233.12**	**158.90**	**74.22**	**104.01**	**87.05**	**16.96**
FALL TOTALS		12,291.63	8,638.39	3,653.24	**12,350.00**	**8,594.00**	**3,756.00**	**12,339.55**	**8,616.67**	**3,722.88**	**47.92**	**(21.72)**	**69.64**	**(10.45)**	**22.67**	**(33.12)**
SPRING																
NC	F	3,240.79	2,209.80	1,030.99	**3,618.00**	**2,550.00**	**1,068.00**	**3,730.78**	**2,695.75**	**1,035.03**	489.99	485.95	4.04	112.78	145.75	(32.97)
CR																
Jan. intersession		627.30	459.01	168.29	**675.00**	**475.00**	**200.00**	736.45	520.48	215.97	109.15	61.47	47.68	61.45	45.48	15.97
IS, DSCH		189.29	66.54	122.75	**277.00**	**152.00**	**125.00**	286.15	143.93	142.22	96.86	77.39	19.47	9.15	(8.07)	17.22
IS, WSCH		385.01	277.60	107.41	**410.00**	**270.00**	**140.00**	385.33	285.79	99.54	0.32	8.19	(7.87)	(24.67)	15.79	(40.46)
DSCH	F	497.05	347.91	149.14	**488.00**	**350.00**	**138.00**	473.05	365.49	107.56	(24.00)	17.58	(41.58)	(14.95)	15.49	(30.44)
Positive	F	1,777.08	1,726.08	51.00	**1,850.00**	**1,810.00**	**40.00**	**1,703.62**	**1,647.98**	**55.64**	(73.46)	(78.10)	4.64	(146.38)	(162.02)	15.64
WSCH		7,179.55	4,567.52	2,612.03	**7,275.76**	**4,550.00**	**2,725.76**	7,150.34	4,557.42	2,592.92	(29.21)	(10.10)	(19.11)	(125.42)	7.42	(132.84)
TOTAL CR		10,655.28	7,444.66	3,210.62	**10,975.76**	**7,607.00**	**3,368.76**	**10,734.94**	**7,521.09**	**3,213.85**	**79.66**	**76.43**	**3.23**	**(240.82)**	**(85.91)**	**(154.91)**
SPRING TOTALS		13,896.07	9,654.46	4,241.61	**14,593.76**	**10,157.00**	**4,436.76**	**14,465.72**	**10,216.84**	**4,248.88**	**569.65**	**562.38**	**7.27**	**(128.04)**	**59.84**	**(187.88)**
SUMMER 2015																
NC		171.34	171.34	0.00	**171.00**	**171.00**	**0.00**	**171.00**	**171.00**	**0.00**	(0.34)	(0.34)	0.00	**0.00**	**0.00**	**0.00**
CR		33.26	33.26	0.00	**0.00**	***0.00***	**0.00**	**0.00**	***0.00***	**0.00**	(33.26)	(33.26)	0.00	**0.00**	**0.00**	**0.00**
Borrowed		0.00	0.00	0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	0.00	0.00	0.00	**0.00**	**0.00**	**0.00**
SUMMER TOTALS		204.60	204.60	0.00	**171.00**	**171.00**	**0.00**	**171.00**	**171.00**	**0.00**	(33.60)	(33.60)	0.00	**0.00**	**0.00**	**0.00**
COMBINED																
NC		6,401.13	4,594.12	1,807.01	**6,642.00**	**4,778.00**	**1,864.00**	**6,640.71**	**4,859.47**	**1,781.24**	**239.58**	**265.35**	**(25.77)**	**(1.29)**	**81.47**	**(82.76)**
CREDIT		22,287.80	15,493.22	6,794.58	**22,551.00**	**15,574.00**	**6,977.00**	**22,412.21**	**15,573.03**	**6,839.18**	**124.41**	**79.81**	**44.60**	**(138.79)**	**(0.97)**	**(137.82)**
TOTAL		28,688.93	20,087.34	8,601.59	**29,193.00**	**20,352.00**	**8,841.00**	**29,052.92**	**20,432.50**	**8,620.42**	**363.99**	**345.16**	**18.83**	**(140.08)**	**80.50**	**(220.58)**
		Non-Credit	**71.77%**	**28.23%**	**Non-Credit**	**71.94%**	**28.06%**	Non-Credit	73.18%	26.82%						
		Credit	**69.51%**	**30.49%**	**Credit**	**69.06%**	**30.94%**	Credit	69.48%	30.52%						
		Total	**70.02%**	**29.98%**	**Total**	**69.72%**	**30.28%**	Total	70.33%	29.67%						

NOTE:
Actuals
Est. actuals
Updated projections

Revised Target Growth	1.76%

Estimated P2 Growth	1.27%

State Estimated Potential R/A/Growth		2.75%	
	29,478.00	**20,626.00**	**8,852.00**
		69.97%	30.03%

Annualizers	SAC	SCC
Weekly	1.0000	1.0000
Daily	1.0000	1.0000
PAC-Credit	1.6022	1.5810
PAC-NonCredit	1.3200	1.3766
IW	1.0000	1.0000
ID	1.0000	1.0000

Estimated Factors *Updated at P3	(F)
SAC CEC	**1.0372**
SAC-DSCH	**1.0232**
SAC-Positive	**1.0162**
SCC-OEC	**1.0342**
SCC-DSCH	**1.0134**
SCC-Positive	**1.0355**

SSC Community College Financial Projection Dartboard
2015-16 Governor's May Revision

This version of SSC's Financial Projection Dartboard is based on the Governor's 2015-16 May Revision. We have also updated the cost-of-living adjustment (COLA), consumer price index (CPI), and ten-year T- bill planning factors to reflect economic forecasts. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are, at best, general guidelines.

Factor		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Statutory COLA for Apportionments		0.85%	1.02%	1.60%	2.48%	2.87%	2.50%
Base Allocation Increase		—	$266.7 million	Ongoing	Ongoing	Ongoing	Ongoing
Growth/Restoration Funding		**2.75% ($140.4 million)**	**3% ($156.5 million)[1]**	**Ongoing[1]**	**Ongoing[1]**	**Ongoing[1]**	**Ongoing[1]**
Increased CDCP Rate		—	$49 million	Ongoing	Ongoing	Ongoing	Ongoing
State Categorical Programs[2]		Up to $485 million	Up to $1.2 billion[3]	Ongoing (except for one-time funds)	Ongoing (except for one-time funds)	Ongoing (except for one-time funds)	Ongoing (except for one-time funds)
California CPI		1.40%	2.20%	2.40%	2.60%	2.70%	2.50%
California Lottery[4]	Base	$128	$128	$128	$128	$128	$128
	Proposition 20	$34	$34	$34	$34	$34	$34
CalPERS Employer Rate		11.771%	11.847%	13.05%	16.60%	18.20%	19.90%
CalSTRS Employer Rate		8.88%	10.73%	12.58%	14.43%	16.28%	18.13%
Interest Rate for 10-Year Treasuries		2.20%	2.40%	2.80%	3.00%	3.10%	2.90%

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[1] Apportionment growth funding will be allocated to districts, per the 2014-15 State Budget, according to a needs-based formula starting in 2015-16.

[2] The following categorical programs are "protected" because the funding restrictions and requirements remain.

Protected Programs	
Apprenticeship	Fund for Student Success
Basic Skills	Foster Care Education
CalWORKs	Matriculation
Career-Technical Education	Nursing Program Support
Cooperative Agency Resources for Education (CARE)	Student Financial Aid Administration
Disabled Students Programs and Services (DSPS)	Telecommunications and Technology
Extended Opportunity Programs and Services (EOPS)	

The following categorical programs are "unprotected" because, following a public hearing of the governing board, districts can redirect the funding to any other state categorical program, and funding restrictions and requirements are waived as a result through 2014-15. Funding allocations are proportional based on 2008-09. **Absent an extension by the Legislature, districts should expect the funding restrictions and requirements will be back in place in 2015-16.**

Unprotected Programs	
Campus Child Care Tax Bailout	Part-time Faculty Health Insurance
Economic Development	Part-time Faculty Office Hours
Equal Employment Opportunity	Physical Plant/Instructional Support (funding eliminated)
Part-time Faculty Compensation	Transfer Education and Articulation

[3] This total does not include the $500 million for the Adult Education Block Grant, as it is a K-14 program, or the $50 million in one-time funds for Awards for Innovation in Higher Education competitive grants. The proposed 2015-16 State Budget includes the following programmatic funding sources:

- $626 million in one-time funds to pay down prior-year state mandate claims (these will be unrestricted funds allocated on a $563 per-FTES basis)
- $215 million for Student Success and Support, $115 million of which is for student equity plans
- $148 million for deferred maintenance or instructional equipment, with no match requirement
- $75 million for additional full-time faculty but distributed based on FTEs
- $60 million for the Basic Skills and Student Outcomes Transformation Program
- $38.7 million for Proposition 39 energy efficiency program grants
- $29.1 million for apprenticeship programs
- $15 million for implementing statewide performance strategies
- $2.5 million to fund the 1.02% COLA for DSPS, EOPS, CalWORKs, and Child Care Tax Bailout programs
- $2 million for a Basic Skills Partnership Pilot Program

[4] The forecast for Lottery funding per FTES includes both base (unrestricted) funding and the amount restricted by Proposition 20 for instructional materials. Lottery funding is initially based on prior year actual annual FTES, and is ultimately based on current-year annual FTES. Starting in 2015-16, K-12 Adult and ROC/P ADA will no longer earn Lottery funding, so the per-FTES estimates will increase; revised estimates are not yet available.

School Services of California INC.

The COMMUNITY COLLEGE UPDATE

Volume 35 For Publication Date: May 01, 2015 No. 9

Statutory COLA for 2015-16 to Be 1.02%

The statutory cost-of-living adjustment (COLA) has now been determined for 2015-16 and it will be 1.02%. This is significantly lower than the estimated COLA of 1.58% released in January with Governor Jerry Brown's 2015-16 State Budget Proposal.

Today, April 29, 2015, the U.S. Department of Commerce released the latest quarterly data for the Implicit Price Deflator for state and local government purchases of goods and services. This data allows for the determination of the 2015-16 statutory COLA, which is calculated by comparing the change in this index over the most recent four quarters to the previous four quarters.

We expect the Governor's May Revision to reflect this updated COLA in the funding proposal for community colleges. Once the May Revision is released we will be updating the COLA and other factors in our Financial Projection Dartboard to reflect the latest information available.

—Dave Heckler and Robert Miyashiro

posted 04/29/2015

The COMMUNITY COLLEGE UPDATE

Volume 35 For Publication Date: May 15, 2015 No. 10

Initial Impressions from The Governors 2015 May Revision

Today, May 14, 2015, Governor Jerry Brown released the May Revision to his proposals for the 2015-16 State Budget. The May Revision is the final statutory opportunity for Governor Brown to recast his proposals in light of the latest economic data. According to the Administration, the current year Proposition 98 guarantee increased by $3.1 billion, to $66.3 billion, and the budget year guarantee increases $2.7 billion, to $68.4 billion. Both of these upward revisions provide the Administration opportunities to increase one-time and ongoing funds for K-14 education.

The following points related primarily to the California Community College budget were adjusted at the May Revision. Specifically, the Governor proposes:

- 3% enrollment access/growth (an increase of $49.7 million)
- $266.7 million for base allocation increases (an increase of $141.7 million)
- $626 million to pay down prior mandate obligations on a per-full-time equivalent students basis (an increase of $274.7 million)
- $148 million to reduce the backlog of deferred maintenance or to purchase instructional equipment
- $75 million to increase the number of full-time faculty within each community college district
- $60 million for the Basic Skills and Student Outcomes Transformation Program
- $2.5 million to fund the cost-of-living-adjustment (COLA) for the Extended Opportunity Programs and Services, Disabled Students Programs and Services, California Work Opportunity and Responsibility to Kids, and the Childcare Tax Bailout programs
- $115 million for Student Equity Plan funding (an increase of $15 million)

The Governor also reduces the January proposal from a 1.58% COLA to the fixed statutory COLA of 1.02%. We will provide further analysis of each of these issues as a second, and more detailed, look. We expect that further information, details, and implementation clarifications will be fleshed out over the course of today and the next few days.

—Michelle McKay Underwood

posted 05/14/2015

The Community College Update

Volume 35 For Publication Date: May 15, 2015 No. 10

An Overview of the 2015-16 Governor's May Revision

Preface

The May Revision marks a very significant point in the state's Budget development process. It is the last statutory opportunity for Governor Jerry Brown to update his economic projections for the current year and the Budget year. And this year, in the May Revision presented by the Governor on May 14, 2015, both years are coming up aces.

As far back as the enactment of the 2014-15 State Budget, School Services of California, Inc., (SSC) has opined that economic conditions were improving and that the state's revenue projections would likely prove to be low for 2014-15. Recently we created analytical tools which projected that revenues for 2014-15 would be up by more than $3 billion. In the May Revision, the Governor confirmed that growth in state revenues and transfers for 2014-15 will be $3.3 billion with education spending to be increased by $3.1 billion; these are treated as one-time dollars. Additionally, the Governor has revised his projected education spending for 2015-16 upward by $2.7 billion over his January proposal; these dollars are primarily ongoing. In the sections below, we detail the additional funding by program. But suffice it to say that 2014-15 already provided the highest increase in education funding in history, and now it will be even higher with much of the increase carried forward into 2015-16 as an ongoing increase.

Remember that because of the maintenance factor, Proposition 98 is getting roughly 90% of all new state tax revenues. As recently as a month ago, the Legislative Analyst's Office identified ways to reduce General Fund support for Proposition 98 and thereby increase resources to the non-Proposition 98 side of the State Budget. We commend the Governor and the Department of Finance (DOF) staff for choosing to provide a full measure of restoration for Proposition 98 and to resist the urge to manipulate the guarantee. The Governor's proposals for 2015-16 would greatly reduce, but not quite eliminate, the maintenance factor. But the reality is that with even one more good year the maintenance factor will be fully repaid, and we will be back in a world where education gets only about 40% of new revenues; that will be a hard adjustment. For this Budget, we sincerely commend the Governor, his education advisors, and DOF staff for protecting the Governor's long-term commitment to the students of California.

Overview of the Governor's May Revision

The Governor's May Revision acknowledges the continuing expansion of the state economy and a surge in state revenues in the current year well in excess of the level projected just five months ago when the January Governor's State Budget was released. State revenues are up $3.3 billion in 2014-15 and $1.7 billion in 2015-16, according to the revised State Budget forecast.

The Governor, consistent with the requirements of Proposition 98, allocates the majority of these new revenues to K-12 education and the community colleges. Over the three-year period—2014-15, 2015-16, and 2016-17—the minimum funding guarantee increases $6.1 billion.

In his press conference, the Governor stressed the importance of living within our means and avoiding the boom-bust budgeting of the past. To explain why his May Revision does not expand spending for many state programs, the Governor said that the view that “now that we’re getting a little money, we’re in fiscal utopia” is “demonstrably false.” He stressed the notion that while some may want a bigger role for the public sector, everything must be balanced and that tradeoffs or cuts would have to be made in some programs if expansions were sought for others.

The Governor warned that despite stronger state revenue collections this year, the State Budget remains precariously balanced and faces the prospect of deficits in future years. One of the highlights of the May Revision for the Governor is a $1.9 billion contribution to the state’s Rainy Day Fund and $1.9 billion to pay down existing liabilities and retire long-term debt.

The Economy and State Revenues

Economic Outlook

The May Revision notes that economic growth in 2014 was strong, with job growth better than anticipated and the unemployment rate falling both at the national and state level. Since the start of the year, the drop in the price of oil has kept inflation low and allowed consumers to boost spending.

At the national level, the Administration’s revised forecast assumes global growth will remain slow, but steady. National Gross Domestic Product in 2014 was 2.4%, and the May Revision forecasts a continuation of that momentum in 2015 at 2.8% and in 2016 at 2.7%. The forecast concludes that the slow growth in the first quarter of 2015 is due to severe weather conditions in the eastern U.S. and other temporary factors.

In California, the unemployment rate dropped to 6.5% in March 2015 and is projected to fall further to 6.0% by the end of 2016.

Even though the drought has hurt the agricultural sector, the state’s diversified economy is expected to remain on a steady growth path, thereby mitigating the overall impacts of the water shortage. It is important to note that the forecast assumes that the drought does not continue into 2016.

The May Revision identifies several risks to the forecast. Of chief concern is the performance of the stock market. DOF economists point out that 2014 marked the sixth straight year of positive growth in the stock market, with annual average growth exceeding 12%. A downward correction could significantly impair personal income tax collections, especially since California’s tax structure is heavily dependent upon the top income earners who receive a disproportionate share of their income from capital gains.

The forecast notes that there has been an economic slowdown in China and European Union countries, which has implications for U.S. and California exports. A broad based and sustained slowdown will hurt exports and in turn reduce corporate profits, employment, and personal income in California.

State Revenues

The May Revision details higher state revenues of $5.7 billion compared to the January State Budget proposal ($700 million in 2014-15, $3.3 billion in 2014-15, and $1.7 billion in 2015-16). This total reflects the impact of transfers to the Rainy Day Fund and the loss of revenues associated with the proposed Earned Income Tax Credit, which reduces tax collections. Compared to the January State Budget, personal income tax revenues for 2014-15 are up 5.1%, or $3.7 billion, but other revenue sources fell short by a combined $400 million, resulting in a net increase for all taxes of $3.3 billion, or 3%. For the Budget year, the revised forecast boosts revenues in 2015-16 by 1.5%, or $1.7 billion.

The Administration's long-term forecast presents a warning for lawmakers and others dependent upon the state General Fund for support. The DOF forecast shows revenue growth for the three major taxes—the personal income tax, the sales and use tax, and the corporation tax—increasing at a 4.6% rate in 2016-17 but slowing to only 1% in 2018-19. Revenue growth for the three major taxes, which account for more than 95% of General Fund revenues, is forecast to be only $1.3 billion in that year. We note that tax revenues associated with Proposition 30, the Governor's temporary tax proposal approved by voters in November 2012, will begin to expire commencing in 2016.

Proposition 98

The Governor's May Revision acknowledges a major surge in current-year General Fund revenues and a corresponding increase in the outlook for revenues in 2015-16. These increases in turn boost funding for K-12 education and the community colleges under Proposition 98, the state's minimum funding guarantee for K-14 education.

Specifically, the May Revision shows Proposition 98 funding increasing $6.1 billion over a three-year period ($241 million in 2013-14, $3.1 billion in 2014-1,5 and $2.7 billion in 2015-16). In the current year, the minimum guarantee will reach $66.3 billion and increase to $68.4 billion in 2015-16.

The May Revision also acknowledges that the Proposition 98 maintenance factor—the amount owed to K-14 education to restore the cuts imposed during the recession—will almost be fully repaid in 2015-16. Only $772 million will remain at the end of the Budget year. As recently as June 2014, the Administration estimated that the maintenance factor totaled $6.6 billion.

K-14 Apportionment Deferrals

The Governor's May Revision continues the January State Budget proposal to eliminate all outstanding cash deferral debt for K-14 education in the current year. One-time Proposition 98 funds from 2014-15 are proposed for this purpose: $900 million to eliminate K-12 deferrals and $94.5 million to eliminate the last California Community Colleges (CCC) deferral.

CalSTRS and CalPERS

Employer costs for retirement benefits for both the California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) are projected to nearly double over the next several years. The May Revision does not address these cost increases for K-12 education; however, as discussed below, the Governor continues his January State Budget proposal to increase the base allocations for community colleges partly in recognition of increased expenses in the area of retirement benefits.

Community College Proposals

The Governor's May Revision provides additional funding for community colleges in a number of areas. For general apportionments, community colleges are proposed to receive:

- $156.5 million to fund 3% growth (up $49.6 million from the January State Budget proposal to fund 2% growth)
- $266.7 million as a base allocation funding increase to reflect increased operating expenses "in the areas of facilities, retirement benefits, professional development, converting faculty from part time to full time, and other general expenses" (up $141.7 million from the January State Budget proposal)
- $61 million to fund the statutory cost-of-living-adjustment (COLA) of 1.02% (down $31.4 million because the estimated COLA was 1.58% in January)
- $41.9 million to fund restoration of enrollment declines over the last three years (this was inadvertently left out of the January State Budget proposal)

The Governor proposes no changes to current fee levels. The May Revision makes some adjustments to the estimates for local property taxes and student enrollment fees. And, as discussed above, the remaining $94.5 million apportionment deferral is proposed to be eliminated effective in the current year.

Full-Time Faculty

The Governor proposes an increase of $75 million to fund approximately 600 additional full-time faculty positions in the system. This funding is proposed to be allocated based on full-time equivalent student (FTES) counts; however, districts with relatively lower proportions of full-time faculty would be expected to increase more in the number of full-time faculty positions. The full-time faculty obligation report for 2014-15 will be used to rank each community college district in quintiles from the highest to lowest full-time faculty percentage, and the full-time faculty obligation will be increased for each district by quintile:

- Lowest quintile (Quintile 1): increase obligation by one full-time faculty position for every $70,000 received
- Next lowest quintile (Quintile 2): increase obligation by one full-time faculty position for every $100,000 received
- Quintile 3: increase obligation by one full-time faculty position for every $130,000 received
- Quintile 4: increase obligation by one full-time faculty position for every $160,000 received
- Highest quintile (Quintile 5): increase obligation by one full-time faculty position for every $190,000 received

Student Success and Support Program

In January, the Governor proposed an additional $200 million for student success programs in 2015-16, $100 million of which is to fund student equity plans. The May Revision proposes an additional $15 million for Student Equity Plans and an additional $15 million for student success technical assistance and training (also, six additional positions are proposed at the Chancellor's Office to provide this assistance).

Other Proposals

Other community college State Budget proposals include:

- $626 million in one-time funds, $274.7 million more than proposed in January, to further pay down outstanding state mandate claims, to be allocated on a per-FTES basis; the Governor suggests using these funds for one-time needs such as curricula redesign and start-up costs for new career technical education programs
- $148 million in one-time funds for deferred maintenance or instructional equipment with no matching funds required for deferred maintenance (the January State Budget proposal had included language suggesting the use of the per-FTES mandate funds for deferred maintenance and instructional equipment)
- $60 million for the Basic Skills and Student Outcomes Transformation Program, a grant program for "making more effective, evidence-based practices available to significantly more underprepared students"
- $25 million more for the Awards for Innovation in Higher Education program, bringing the total funding proposed to $50 million, and it is proposed that community colleges can be lead applicants for the awards
- $2.5 million to fund the statutory COLA of 1.02% for Disabled Student Programs and Services, Extended Opportunities Programs and Services, Special Services for California Work Opportunity Programs and Services (CalWORKs) Recipients, and Child Care Tax Bailout programs
- $2 million for a Basic Skills Partnership Pilot Program for coordination with the California State University (CSU)
- $38.7 million for Proposition 39 energy efficiency program grants, a reduction from the January State Budget proposal of $39.6 million to reflect revised revenue estimates

The May Revision includes trailer bill language to exempt veterans who meet certain requirements from nonresident tuition, effective for terms beginning after July 15, 2015, to meet new federal law.

The Rest of Higher Education

The May Revision for the CSU system adds $38 million to the January State Budget proposal of a $119.5 million increase in funding for 2015-16. The CSU is expected to use the additional funds to support efforts to improve student success/shorten the time it takes students to complete degrees, and to enroll more transfer students. The May Revision acknowledges that the CSU has announced that it will not be increasing tuition and fees in the budget year.

The May Revision continues the January State Budget proposal to provide a $119.5 million increase for the University of California system with a commitment from the system that undergraduate tuition for California residents will not be increased in 2015-16 or 2016-17.

Each of the two systems is proposed to receive $25 million in one-time funds for deferred maintenance and at least $25 million of one-time funds from cap and trade revenues for energy efficiency projects (CSU receives $35 million).

Child Care Programs

As with previous years, the May Revision proposes administrative adjustments from the Governor's Budget to the CalWORKs child care system. These adjustments reflect an increase in the number of newly eligible beneficiaries for Stage 2 ($46.8 million non-Proposition 98 General Fund increase) and a small increase for Stage 3 of $2 million (non-Proposition 98 General Fund) to reflect minor adjustments in caseload and the cost of providing care.

Capped child care programs (non-CalWORKs) are proposed to see a net decrease of $7.2 million reflecting the change in the COLA proposed in January of 1.58% to the 1.02% COLA at May Revision. A small net decrease of $2.5 million is also applied to reflect a reduction in the population of 0-4 year-old children.

Child care and development funds see a net increase in the May Revision of $17.7 million in federal funds.

Adult Education

In January 2015, Governor Brown indicated his commitment to Adult Education by proposing a $500 million Adult Education Block Grant. The Governor's May Revision strengthens the proposal by making adjustments based on stakeholder feedback such as eliminating the allocation boards, requiring more robust, but less frequent, planning, and providing for a more stable funding stream.

Career Technical Education

In January 2015, the Governor proposed $250 million over three years for a transitional Career Technical Education Incentive Grant Program. The May Revision proposes an additional $150 million for 2015-16, $50 million for 2016-17, and then a reduction of $50 million in 2017-18. The May Revision proposes a phased plan for the matching requirement to better allow K-12 schools to transition entirely to using their own discretionary funding by 2018-19.

Other K-12 Education Proposals

The May Revision continues the Governor's emphasis on implementation of the K-12 Local Control Funding Formula by adding $2.1 billion more to the $4.048 billing originally proposed in January. This provides approximately 53% of the funding necessary to move each K-12 district to its target funding level.

Programs for Special Education students are proposed to receive an additional $60.1 million in funding. The few remaining K-12 categorical programs are all proposed to receive the 1.02% statutory COLA. K-12 education is proposed to receive $3.5 billion in one-time discretionary funding that is scored against outstanding mandate claims, similar to the proposal for community colleges.

In contrast to his January State Budget, the Governor's May Revision was conspicuously silent on K-12 school facilities. Recall that the Governor outlined several recommended principles to guide discussions and development of a new K-12 school facility program in January. These principles included (1) enhancing local authority to raise and use facilities revenue, and (2) target state resources to the "neediest" districts. The January State Budget proffered ideas about reforming developer fee laws, expanding the use of routine restricted maintenance account funds, increasing the Proposition 39 local general obligation bond tax caps, and reducing eligibility criteria for charter schools.

Proposition 2 and Proposition 98 Reserves

According to the Administration's revised estimates, California's General Fund revenues increased by a total of $6.7 billion above January projections. The May Revision appropriates the lion's share of the additional revenue pursuant to constitutional requirements to fund education, pay down state debts, and make deposits into the state's Rainy Day Fund. Specifically, of the increased $6.7 billion revenues, the May Revision spends $5.5 billion on education and makes an additional $633 million into the Rainy Day Fund (for a total deposit of $1.9 billion).

With regard to the Proposition 98 reserve, the criteria for requiring a deposit into the fund have not been met; however, the May Revision proposes to pay off the Proposition 98 maintenance factor (one of the criteria) by $5.4 billion, leaving a maintenance factor balance of $772 million.

Summary

While we are certainly appreciative of the overall positive implications of the May Revision, we do need to highlight some problems that remain unresolved.

One of the consequences of last year's Budget Act and the passage of Proposition 2 was a limitation on the amount of reserves a K-12 district could maintain. All of the conditions for implementation of those limitations have not yet been met. But ultimately they will be met. This limitation flies in the face of local control and though it deserves a watery grave, the May Revision does not address the issue. We continue to watch this issue so that it does not spread to California Community Colleges.

In the area of facilities, there is still no concrete plan for state participation in the funding of school construction and modernization. With no expectation of state facility funding assistance and the long lead time necessary for school construction, or even the installation of portables, we expect facilities to again be a limiting factor in improvement of educational opportunities.

A longer range consideration for schools and community colleges will be going from receiving about 90% of new state revenues to about 40% once the maintenance factor has been repaid. This may happen around the same time that the temporary tax revenues from Proposition 30 begin to expire, and all predictions are that we will see another recession in the foreseeable future. Yet cost pressures will continue, including the increasing CalPERS and CalSTRS rates, so caution moving forward will be key.

We will continue to monitor further developments as the 2015-16 State Budget is negotiated and finalized. Stay tuned.

—SSC Staff

posted 05/14/2015

The COMMUNITY COLLEGE UPDATE

Volume 35 For Publication Date: May 01, 2015 No. 9

Translating Gains in State Revenues to Revenues for Schools—How Does it Work?

Earlier this week we provided an exclusive School Services of California, Inc., (SSC) data-tracking model for state revenues as reported by the State Controller's Office. The results of that analysis were encouraging and very positive for Proposition 98 and K-14 education. As a result of the state's obligation to make up cuts and cost-of-living allowances lost during the recession, which we call the maintenance factor, education is receiving roughly 90% of new state revenues. Therefore, our projections of higher state revenues and higher funding for education need to be considered in terms of the options available to Governor Jerry Brown at the May Revision.

There are really two separate, but related, decision structures that need to be considered. First, there is an obligation for the state to recalculate the Proposition 98 guarantee for the current year, 2014-15, and to determine how much is required to be added to K-14 spending to meet the rising minimum guarantee and to determine how that funding will be provided. Second, the Governor is required to make a separate set of decisions regarding the revenue projections for 2015-16 and, if revenue projections are to be increased, how that funding will be provided.

The Current Year

For 2014-15, both SSC and the Legislative Analyst's Office (LAO) have concluded that state revenues are likely to be higher than projected by $2 billion to $2.5 billion. We now think this number could be well over $3 billion based upon our own analytical tool. The May Revision estimate is produced very close to the end of the fiscal year and will likely closely mirror actual revenues. And because the maintenance factor has not been fully repaid, education will still be slated to receive the lion's share of any increase. For illustration purposes, a state revenue gain of $2.5 billion might produce an increase in Proposition 98 of $2.25 billion. Whatever that number is, the Governor will have an opportunity to declare both the number and the manner in which he proposes to reach that funding level. During good times there is no option, except suspension of Proposition 98, for the state to avoid fully funding Proposition 98, but more on that later.

The Governor could, for example, continue his previous pattern of declaring the additional amount to be added to education spending in the current year, how much will go to community colleges, and how much to K-12, and then decide for what particular purposes the funding will be provided. In the past, the Governor has used "catch-up dollars" at the May Revision to fund "one-time" expenditures like buy-back of deferrals and repayment of historical mandate claims. The Governor gets to decide whether to provide the funding as ongoing or one time; this Governor has had a heavy bias toward one-time expenditures for current-year funds.

The Governor will amend his January Budget to reflect his May Revision decisions, and the Legislature will consider that Budget through the committee process. We expect an on-time Budget, but we also expect that there will be some pretty intense discussion of legislative priorities.

The Budget Year

Regardless of the decisions the Governor makes to true up Proposition 98 for 2014-15, he gets to make a separate decision for 2015-16. For example, our high-end estimates of additional revenues for this year are driven by estimates of much larger than anticipated capital gains taxes, ignoring for a moment the effect of capital gains on the Proposition 2 "rainy day fund." The Governor might note that and direct the Department of Finance to discount future revenue projections to reflect that those revenues might not continue into subsequent years. In that case, the Governor might decide that a $2.5 billion increase in the current year gives rise to only a $1 billion, or some other number, as an ongoing increase. Remember, if the Governor makes a low estimate, next year at this time he will have more money to true up. But if the Governor's estimate is too high, it permanently raises the Proposition 98 base.

Once the level of funding for 2015-16 is decided, the Governor again has a wide variety of choices as to how it might be spent. The January Budget specified 2% enrollment growth and $125 million in base allocations for 2015-16. An easy choice for the Governor is to make either of those numbers higher. But there will be other demands as well, for example the Governor may wish to invest more heavily in certain categorical programs to increase student success. Those choices have been made in different ways each year.

Whatever choices the Governor makes must stand up to the test of legislative debate and approval. It is normal for compromises to be reached during that process, though Governor Brown has been remarkably successful in maintaining his priorities through that process.

The "Wild Card"—The LAO Options

In addition to the normal tension over priorities for spending, we have a "wild card" this year. The LAO recently issued a report offering the Legislature options for reducing the amount of funding that would go to Proposition 98, thereby providing more resources to the non-Proposition 98 side of the Budget. If the Legislature and the Governor were to agree on any of those options to reduce the commitment to public education, that would have an effect on the level of funding education would get in 2015-16 and beyond as well.

As a matter of principle, we do not believe it is appropriate for the state, which reduced education funding during bad times, to also seek ways to reduce education funding during good times. Nonetheless, the Governor and the Legislature could seek to make those choices whether we like it or not.

Summary

We have covered a lot of factors bearing on the state's budget development process and its effect on education funding. There are a lot of legitimate interests in play, and not all of them favor maximizing education funding. We expect the May Revision to be positive, but likely very complicated this year. More money means more choices.

We are excited that our new analytical tools are showing great promise in accurately forecasting state revenues, and we will continue to report on that topic through the May Revision. But the new information we need to complete the picture will only be available upon release of the Governor's May Revision materials, which are expected May 14. Within minutes, we will be analyzing and providing updates on the choices the Governor makes. We will follow up our "quick-hitter" overview with detailed coverage in subsequent *Community College Update* articles and a revised SSC Dartboard for budget planning purposes. Stay tuned.

—Ron Bennett, Robert Miyashiro, and John Gray

LAO
70 YEARS OF SERVICE

May 19, 2015

California Community Colleges: May Revision Overview

L E G I S L A T I V E   A N A L Y S T ' S   O F F I C E

Presented to:
Senate Budget and Fiscal Review
Subcommittee No. 1 on Education
Hon. Marty Block, Chair

May 19, 2015

70 YEARS OF SERVICE

CCC Proposition 98 Overview

CCC Proposition 98 Funding—2015 May Revision

(In Millions)

	2014-15			2015-16		
	January	**May**	**Change**	**January**	**May**	**Change**
General Fund	$4,581	$4,975	$394	$5,002	$5,301	$298
Local property tax revenue	2,321	2,263	-58	2,628	2,613	-15
Totals	**$6,902**	**$7,238**	**$336**	**$7,630**	**$7,914**	**$283**

LAO 70 YEARS OF SERVICE

CCC Proposition 98 Spending Changes

CCC Proposition 98 Spending Changes

(In Millions)

	2013-14	2014-15	2015-16
Apportionments			
Provide apportionment increase (above growth and COLA)	—	—	$142
Increase funding for full-time faculty	—	—	75
Fund enrollment growth	—	—	50
Provide funds to restore enrollment earned back by districts	—	—	42
Other adjustments	—	—	14
Adjust COLA for apportionments	—	—	-31
Revenue and workload adjustments	$5	-$58	-163
Subtotals, Apportionments	($5)	(-$58)	($128)
Categorical and Other Programs			
Fund maintenance and instructional equipment (one time)	—	$48	$100
Fund CCC innovation awards (one time)	—	23	25
Fund implementation of local student equity plans	—	—	15
Fund dissemination of effective institutional practices	—	—	12
Augment technical assistance for districts	—	—	3
Provide COLA for select categorical programs	—	—	2
Pay down mandate backlog	$14	261	—
Provide funding for basic skills initiatives	—	62	—
Shift college planning website funds to Department of Education	—	—	-1
Other adjustments	—	—	-1
Subtotals, Categorical and Other Programs	($14)	($394)	($156)
Total Proposition 98 Spending Changes	**$18**	**$336**	**$283**

COLA = cost-of-living adjustment.

LAO
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Governor's CCC May Revision Proposals

☑ **Enrollment Growth**

- Provides $50 million for additional 1 percent growth, bringing total proposed growth funding to $157 million for 3 percent growth.

☑ **Unallocated Base Augmentation**

- Adds $142 million to proposed base increase in recognition of increased operating expenses in the areas of facilities, retirement benefits, professional development, full-time faculty, and other general expenses. Brings total unallocated base increase to $267 million.

☑ **Mandate Backlog**

- Provides additional $275 million (one time) in mandate backlog payments, bringing total proposed mandate backlog payments to $654 million.

☑ **Maintenance and Instructional Support**

- Provides $148 million (one time) for facility maintenance and to replace instructional equipment and library materials.

☑ **Full-Time Faculty**

- Provides $75 million to increase colleges' ratios of full-time faculty to total faculty. Would require districts with lower ratios to use most of the funding for additional full-time faculty while giving more flexibility to districts with higher ratios. (The average district would be required to use less than half the funding for increasing the number of full-time faculty.)

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Governor's CCC May Revision Proposals
(Continued)

☑ **Basic Skills Initiatives**

- ***$60 Million for Basic Skills and Student Outcomes Transformation Program.*** Provides one-time incentive grants for unspecified number of campuses to adopt or expand the use of evidence-based models of basic skills assessment, placement, and instruction, similar to a program proposed in AB 770 (Irwin).
- ***$2 Million for Basic Skills Partnership Pilot Program.*** Provides four one-time incentive grants of $500,000 each to community college districts that partner with the California State University (CSU) campuses to coordinate basic skills instruction for current or prospective CSU students.

☑ **Cost-of-Living Adjustment (COLA) for Categorical Programs**

- Adds $2 million to provide a COLA for four categorical programs: Disabled Student Programs and Services, Student Services for California Work Opportunity and Responsibility to Kids (CalWORKs) Recipients, Extended Opportunity Programs and Services, and Campus Childcare Support.

☑ **Innovation Awards**

- Provides $25 million for additional Governor's Innovation Awards to CCC campuses.

May 19, 2015

LAO
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Governor's CCC May Revision Proposals
(Continued)

☑ **Student Success and Support Initiatives**

- ***$15 Million to Augment Student Equity Plan (SEP) Implementation.*** Requires that equity plan funding model include foster youth, and calls for pilot projects to provide supplemental services to foster youth in the Extended Opportunity Program, consistent with Chapter 771, Statutes of 2014 (SB 1023, Liu). Brings total for SEP implementation to $115 million.

- ***$12 Million to Disseminate Effective Institutional Practices Statewide.*** Funds workshops and training programs to promote student achievement; improve institutional operations; and facilitate better planning, coordination, and implementation of statewide initiatives. Also supports online clearinghouse of information and other resources on effective community college practices, including practices related to serving members of the California Conservation Corps and incarcerated individuals.

- ***$3 Million to Expand Technical Assistance to Districts*** Increases to $5.5 million funding for technical assistance in the areas of academic affairs, student services, career technical education, and finance. Under this initiative, the Chancellor's Office contracts with teams of community college experts to consult with colleges in need of assistance.

LAO Assessment and Recommendations

☑ **Adopt Lower Enrollment Growth Target**

- Recommend 2.7 percent growth (additional 0.7 percent over January budget) to accommodate expected growth and cover remaining unfunded enrollment.

☑ **Redirect Unallocated Base Augmentation**

- Legislature could approve Governor's January proposal providing $125 million in general purpose funds and direct the additional $142 million in May funding to further reduce the mandate backlog or deferred maintenance. This approach would provide a cushion in the event that revenues decline in 2016-17, set clearer expectations for colleges, and address existing liabilities.

☑ **Approve Mandate Backlog Payment**

- Proposal is consistent with the state's past approach of using one-time funds to pay down outstanding obligations.

☑ **Approve Maintenance and Instructional Support Funding**

- The California Community College (CCC) reports more than $1 billion in scheduled and deferred repair and maintenance projects. Using one-time funds to reduce this backlog could avoid costlier repairs and maintenance in the future. In addition, the proposal gives campuses the opportunity to update instructional equipment and materials.

☑ **Consider Trade-Offs for Full-Time Faculty Funding**

- Earmarked funding (in addition to unallocated amounts) could advance progress toward statutory target of 75 percent full-time faculty.

LAO
70 YEARS OF SERVICE

LAO Assessment and Recommendations
(Continued)

- Full-time faculty members are more likely to provide leadership for program planning and curriculum development, and to be more available for students outside of classroom hours.
- Part-time faculty members can bring unique and practical experience to the classroom, and allow colleges to respond quickly to changing student demands and labor-market needs.
- Evidence of association between student success and full-time faculty ratios is mixed.

☑ **Adopt Smaller Pilot Program for Basic Skills Transformation**

- The Governor's proposal has merit, but given the number and magnitude of reform initiatives the colleges already are implementing—including their Student Success and Support Plans, SEPs, and Institutional Effectiveness Plans—we believe its scale is unrealistic. We recommend adopting a smaller pilot program.

☑ **Reject Basic Skills Partnership Pilot Program**

- The Governor's goal to coordinate basic skills instruction between community colleges and CSU campuses is laudable. The pilot program, however, does not appear to be well developed. The two segments did not participate in developing the proposal, and it is unclear whether CSU campuses are interested in participating, how many students may be willing to enroll concurrently in CCC and CSU courses, and how partnership campuses would spend the $500,000 grants (as instruction would be funded under apportionments).

LAO Assessment and Recommendations
(Continued)

☑ **Fund COLA for Categorical Programs**

- Approve COLA for four categorical programs as proposed and consider providing COLA to additional categorical programs. Providing a 1.02 percent COLA to the remaining programs (excluding newly created and augmented programs and one-time funds) would require $2.6 million.

☑ **Reject Innovation Awards Funding**

- One-time awards based on past accomplishments are unlikely to meet program's objectives of advancing state higher education goals.

☑ **Reject SEP Augmentation**

- The Governor's January proposal more than doubles SEP funding, from $70 million to $170 million. Colleges have experienced difficulty absorbing large augmentations in student support programs, including SEP, over the last two years. The Legislature could adopt proposed budget language requiring the inclusion of foster youth in the determination of SEP funding allocations and directing the Chancellor to enter into agreements with districts to provide additional services in support of foster youth.

☑ **Adopt Proposals to Disseminate Effective Institutional Practices and Expand Targeted Technical Assistance to Colleges**

- These proposals support implementation of multiple statewide initiatives aimed at improving student success and district operations.

Subject: FW: Governor's May Revision Supports Student Access, Success, and Equity

From: Thuy Thi Nguyen [mailto:thuy@ccleague.org]
Sent: Thursday, May 14, 2015 11:39 AM
To: O'Connor, Adam
Subject: Governor's May Revision Supports Student Access, Success, and Equity

COMMUNITY COLLEGE LEAGUE OF CALIFORNIA

May 14, 2015

At 10 a.m. today, Governor Brown released his May Revision to the January budget, with increased emphasis on the three pillars of education by investing in access, success, and equity while recognizing our colleges' growing operational costs.

As the Governor states, "Health and education, that's the focus."

The May Revision provides $619 million in new Proposition 98 allocations to community colleges. It reflects a strong immediate economic outlook with the recent surge of $6.7 billion in state revenues derived primarily from high wage earners and capital gains.

In spite of these increases, community colleges are still regaining ground lost during the recession. As the Public Policy Institute of California has noted, "Between 2007–08 and 2011–12, the community colleges faced cuts totaling almost $1.5 billion, far larger than in any other period." Colleges have lost 18 percent of their purchasing power since 2008 while operating costs have risen faster than state budget appropriations and local property taxes. We must be prepared for the almost doubling of employer contributions for CalPERS/CalSTRS by 2021 (estimated to cost almost $400 million) and the lack of capital outlay support. For a link to the mandated increase in CalSTRS contributions, click here.

Despite the surge in revenues, the Governor remains fiscally prudent and is quick to point out that the budget outlook in future years is far from optimistic. For instance, 2015-16 budget year will be the last full year of revenues from Proposition 30, with the sales tax portion expiring at the end of 2016.

In conversations I have had these past months, trustees and chancellors/presidents statewide are cognizant of the fiscal challenges ahead and agree on the need for flexibility to address operational costs.

Please keep in mind that the May Revision is the Governor's proposal, and the Legislature is still tasked to present their version of an approved budget to the Governor by June 15th.

The May Revision is available here. Below is a table summarizing the changes. These documents, along with other critical budget information, can be found on the League's Budget Advocacy Action Center: http://www.ccleague.org/i4a/pages/index.cfm?pageid=3855.

Click here to view larger image.

League's May Revise Budget Update Chart
As of May 14, 2015

Item (amounts in 000s)	2014-15 Enacted	2015-16 January Proposed	2015-16 May Revise Proposed
Ongoing Funds			
Cost of Living Adjustment (Apportionment)	0.85%	$92,400 (1.58%)	$61,000 (1.02%)
Enrollment Growth (Apportionment)	2.75%	$106,900 (2%)	$156,500 (3%)
Student Success and Support Program (SSSP)	$199,183	$299,183	$299,183
SSSP - Equity	$70,000	$170,000	$185,000*
Career Development College Preparation (CDCP) Rate Equalization	No Augmentation	$49,000	$49,000
Apprenticeship Programs	No Augmentation	$29,100	$29,100
Operating Costs	No Augmentation	$125,000	$266,700
Full-Time Faculty	No Augmentation	No Augmentation	$75,000
Basic Skills Partnership Pilot Program	No Augmentation	No Augmentation	$2,000
Institutional Effectiveness	No Augmentation	No Augmentation	$15,000**
Categorical Program COLA	No Augmentation	No Augmentation	$2,500
One-Time Funds			
Career Technical Education	$50,000	$48,000	$48,000
Mandate Backlog	$49,500	$353,300	$627,800
Deferred Maintenance & Instructional Equipment	$148,000	No Augmentation	$148,000***
Basic Skills & Student Outcomes Transformation Program	No Augmentation	No Augmentation	$60,000
Remaining Deferrals	$600,000	$94,500	$94,500
Innovation Awards	$50,000	$25,000 (CSU Only)	$50,000
Other			
Prop 39	$37,500	$39,600	$38,700
Adult Education	$25,000	$500,000	$500,000
CTE Incentive Grant	$250,000 (CCPT)	$250,000	$250,000
General Fund Proposition 98 Adjustments			
Local Property Tax			- $156,100
Student Enrollment Fee			$7,400

** With a set-aside amount to implement SB 1023 for foster youth in EOPS*
*** With $12 million for professional development and to implement educational practices such as SB 1391 for inmate education*
**** No match requirement*

Fiscal Resources Committee

2015/2016 Proposed Meeting Schedule

All meetings will be held from 1:30 – 2:30 p.m.
Executive Conference Room – District Office

July 8, 2015

August 19, 2015

September 23, 2015

October 21, 2015

November 18, 2015

January 20, 2016 (Email Only)

February 24, 2016

March 23, 2016

April 27, 2016

May 18, 2016

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.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2015-16 Tentative Budget Assumptions
May 22, 2015

I. State Revenue

A. Budgeting will continue to utilize the District's Budget Allocation Model Based on SB 361.

B. FTES Workload Measure Assumptions:

Year		Base	Actual		Funded		Actual Growth
2011/12		28,182.19	27,711.41		27,711.41		-9.95%
2012/13		27,711.41	28,185.04		28,185.04		1.71%
2013/14		28,185.04	28,688.93	a	28,688.93	a	1.79%
2014/15	P1	28,688.93	28,975.82	b	28,975.82	b	1.00%

a - based on 2013/14 Recalculation received 2/19/2015
b - based on College Presidents' estimate as of 2/17/2015

The Governor's May Revision includes 3% Restoration/Access/Growth funding, 1.02% COLA, new full time faculty allocation, an unrestricted increase to the Base Allocation and equalizing the CDCP FTES funding rate at the credit FTES rate.

Base Allocation Increase	**$6,000,000**
CDCP Funding Enhancement	**$7,000,000**
Projected COLA of 1.02%	**$1,450,000**
Projected Restoration/Access/Growth -0-	**$0**
Allocation for Full-time Faculty	**$1,875,000**
Projected Deficit (Estimated at 1.72%)	**($2,400,000)**
Base Increase for 2015/16	**$13,925,000**

2015/16 Potential Growth at 1.57% based on 3% system 29,431

C. Education Protection Account (EPA) funding estimated at $21,341,471 based actual on 2014/15 P1. These are not additional funds, rather the EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. Our intention is to charge a portion of faculty salaries against this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at $128 per FTES ($3,807,597). Restricted lottery at $34 per FTES ($1,011,393). (2014/15 P1 of resident & nonresident factored FTES, 29,746.85 x 128 = $3,807,597 unrestricted lottery; 29,746.85 x 34 = $1,011,393. These rates are increased and with an increase in FTES there is a slight increase in revenue.

E. Estimated reimbursement for part-time faculty compensation is estimated at $691,647 (2014/15 P1). Unchanged.

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA has now been proposed by the Governor to be added for categorical programs. This hasn't happened in a number of years. 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. There is no increased match requirements for SSSP funds beginning in 2015/16.

G. BOG fee waivers 2% administration funding estimated at 2014/15 P1 of $250,674. Unchanged

H. Mandates Block Grant estimated at a total budget of $740,000. Unchanged. In addition, with a one-time $626 million allocation statewide for past Mandated Cost reimbursement, we expect approximately $15.5 million, an increase from $900,000. These funds can be used for any one-time purposes and will require additional discussion before allocation.

II. Other Revenue

I. Non-Resident Tuition budgeted at $1,600,000. Increase of $100,000.

J. Interest earnings estimated at $120,000. Unchanged

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately $350,000. Unchanged

L. Apprenticeship revenue estimated at $1,389,971 (2014/15 P1). Unchanged. There is a proposal to increase the allocation for Apprenticeship, but at this time it is not known how this might affect our budget.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2015-16 Tentative Budget Assumptions
May 22, 2015

III. Appropriations and Expenditures

A. The Tentative Base Budget for 2015/16 will begin with a rollover in total 2014/15 Adopted Budget by site, as allocated by budget center. The 2015/16 Tentative Budget will be balanced if necessary by using a portion of the Budget Stabilization Fund.

B. The Cost of Living Allowance (COLA) estimated at 1.02%, $1.45 million.

C. Step and column movement is budgeted at an additional cost of approximately $1.4 million including benefits. (FARSCCD approximate cost $475,000, CSEA approximate cost $480,000, Management/Other approximate cost $445,000)

D. Health and Welfare benefit premium cost increase is estimated at 2.2% for an additional cost of approximately $332,000 for active employees and an additional cost of $143,000 for retirees, for a combined increase of $475,000.
State Unemployment Insurance local experience charges are estimated at $250,000 (2014/15 budgeted amount). Unchanged.
CalPERS employer contribution rate will increase in 2015/16 from 11.771% to 11.847% for an increase of $23,484
(Note: The cost of each 1% increase in the PERS rate is approximately $300,000.)
CalSTRS employer contribution rate will increase in 2015/16 from 8.88% to 10.73% for an increase of $1,048,025.
(Note: The cost of each 1% increase in the STRS rate is approximately $550,000.)

E. The full-time faculty obligation (FON) for Fall 2015 is estimated at 346.80. The District is currently recruiting 34 faculty positions (two of which do not count toward the FON) for an estimated total of 32 positions counting toward the obligation. The District expects to meet its obligation. Penalties for not meeting the obligation amount to approximately $74,000 per FTE not filled.

The additional cost of new full-time faculty being hired for Fall 2015 is estimated at $1.5 million. SAC is filling 16 vacancies and adding six new positions. SCC is filling four vacancies and adding eight new positions. (The cost of the 14 new positions, along with shifts from categorical funding, is budgeted at Class VI, Step 10 at approximately $125,000 each, including benefits.

Ongoing cuts are being made by the two colleges to pay for the 2014/15 and 2015/16 full-time faculty hires (SAC reductions total $2,802,540 and SCC reductions total $587,621)

In addition, with the state special allocation for full-time faculty, we are budgeting to fully spend this $1.875 million revenue to hire 18 - 27 additional faculty.

F. The current rate per Lecture Hour Equivalent (LHE) effective 1/1/15 for hourly faculty is $1,243. Incr. of 5.88% from 2013/14

G. Retiree Health Benefit Fund (OPEB/GASB 45 Obligation) - The District will continue to contribute 1% of total salaries plus a minimum of $500,000 (approx. $1.5 million) to fund the total actuarially determined Annual Required Contribution (ARC). The actual ARC for 2015/16 is $8,350,167.

H. Capital Outlay Fund - As indicated in I.H above, there is no specific state allocation for Scheduled Maintenance however the district will address capital outlay needs using a portion of the one-time mandated cost reimbursement.

I. Utilities cost increases of 5%, estimated at $200,000.

J. Information Technology licensing contract escalation cost of 7%, estimated at $125,000, plus cost of OneCampus license $22,000 for at total increase of $147,000.

K. Property and Liability Insurance cost estimated at $1,850,000. Slight increase of $50,000 due to additional FTES.

L. Partial implementation of the Public Safety Task Force recommendations including increased cost of Chief and Lieutenant positions and three new Sergeant positions, estimated at $432,137. **These new costs will be offset with cuts from other District Services.**

M. Other additional DS/Institutional Cost expenses:
Trustee Election Expense $-0- for 15/16 (reduction of $400,000)
Legal Expenses of $250,000 (in addition to $250k PY)
International Student Recruitment China Office $-0- additional (PY $24,000 remains)

N. Child Development Fund - Program staff continues to develop a plan to reduce the budget deficit. At this time a contribution of $350,000 will continue to be budgeted as an interfund transfer from the unrestricted general fund.

Rancho Santiago Community College District
Unrestricted General Fund Summary
2015-16 Tentative Budget Assumptions Analysis
May 22, 2015

*	**New Revenues**		Ongoing Only	One-Time
B	Base Allocation Increase	*1*	$6,000,000	
B	CDCP FTES Funding Equalization	*1*	$7,000,000	
B	COLA 1.02%		$1,450,000	
B	Growth -0-		$0	
B	Allocation for Full-time Faculty		$1,875,000	
D	Unrestricted Lottery		$87,262	
H	Mandates Block Grant (one-time)	*2*		$14,600,000
I	Non-Resident Tuition		$100,000	
J	Interest Earnings			
K	Misc Income			
	Total		$16,512,262	$14,600,000
	New Expenditures			
B	COLA 1.02%		$1,450,000	
C	Step/Column		$1,400,000	
D	Health and Welfare/Benefits at 2.2%		$475,000	
D	CalPERS Increase		$23,484	
D	CalSTRS Increase		$1,048,025	
E	Full Time Faculty Obligation Hires		$1,462,500	
E	College Budget Cuts for Faculty Hires		($3,390,161)	
E	Allocation for Full-time Faculty		$1,875,000	
E/F	Hourly Faculty Budgets (Convert to Full Time)		$0	
I.F	SSSP Match		$0	
H	Capital Outlay/Scheduled Maintenance Match		$750,000	$1,500,000
I	Utilities Increase		$200,000	
J	ITS Licensing/Contract Escalation Cost		$147,000	
K	Property and Liability Insurance		$50,000	
L	Public Safety Task Force Recommendations		$0	
M	Election Expense			($400,000)
M	Other Additional DS/Institutional Costs		$250,000	
I.H	Holding for Allocation of One-Time Expense			$13,500,000
	Total		$5,740,848	$14,600,000
	2015-16 Budget Year Surplus (Deficit)		$10,771,414	
	2014-15 Ongoing Base Structural Deficit		($8,394,806)	
	Total 2015-16 Net Revenue (Deficit)		$2,376,608	

Note: Budget Stabilization Fund Balance at 6/30/2015 is estimated at $8,678,885.

1 *At this time, these revenues are budgeted 100% unrestricted with NO specifically-related additional expenditures budgeted.*

2 *Budgeted 100% unrestricted but is not guaranteed. There is concern that this allocation might be reduced significantly if there is an increase in Prop 98 funding in 2014/15.*

***** *Reference to budget assumption number*

Updated May 5, 2015

Rancho Santiago Community College District
Budget Allocation Model
Based on SB 361

- The *"Rancho Santiago Community College District Budget Allocation Model Based on SB361, February 8, 2012"* was approved at the February 22, 2012 Budget Allocation and Planning Review Committee Meeting

Introduction

In 2008, both colleges were visited by ACCJC Accreditation Teams in the normal accreditation cycle. The Teams noticed that the district's budget allocation model that was in place for approximately ten years had not been annually reviewed as to its effectiveness as stated in the model documents. The existing revenue allocation model was developed when the district transformed into a multi college district. The visiting Team recommended a review of the existing budget allocation model and recommended changes as necessary.

The Budget Allocation and Planning Review Committee (BAPR) charged the BAPR Workgroup, a technical subgroup of BAPR, with the task of reviewing the ten year old model. In the process, the Workgroup requested to evaluate other California Community College multi-campus budget allocation models. Approximately twenty models were reviewed. Ultimately, the Workgroup focused on a revenue allocation model as opposed to an expenditure allocation model. A revenue allocation model allocates revenues (state and local) generated in a budget year to the college campuses in the district based on the state funding model that allocates state apportionment revenues to districts. An expenditure allocation model allocates, by agreed upon formulas, expenditure appropriations for full-time faculty staffing, adjunct faculty staffing, classified and administrative staffing, associated health and welfare benefit costs, supply and equipment budgets, utility costs, legal and other services. The BAPR Workgroup ultimately decided on a revenue allocation formula in order to provide the greatest amount of flexibility for the campuses.

Senate Bill 361, passed in 2006, changed the formula of earned state apportionment revenues to essentially two elements, 1) Basic Allocations for college/center base funding rates based on FTES size of the college and center and 2) Full Time Equivalent Students (FTES) based on earned and funded FTES. The BAPR Workgroup determined that since this is how our primary funding comes from the state this model should be used for distribution on earned revenues to the colleges. The colleges and centers are the only entities in the district that generates this type of funding. Revenue earned and funded by the state will be earned and funded at the colleges. The Budget Allocation Model (BAM) described in this document provides the guidelines, formulas, and basic steps for the development of an annual district budget including the allocation of budget expenditure responsibilities for Santa Ana College, Santiago Canyon College and District Services referred to as the three district Budget Centers. The budget is the financial plan for the district, and application of this model should be utilized to implement the district's vision, mission statement, district strategic plan and the technology strategic plan as well as the colleges' mission statements, educational master plans, facilities master plans and other planning resources. The annual implementation of the budget allocation model is to be aligned with all of these plans. To ensure that budget allocation is tied to planning, it is the responsibility of District Council to review budget and planning during the fiscal year and, if necessary, recommend adjustments to the budget allocation model to keep the two aligned for the coming year. The Chancellor and the Board of Trustees are ultimately responsible for the annual budget and the expenditures associated with the budget. In February of 2013, the Board of Trustees adopted a new planning design manual. This document eliminated BAPR and created the Fiscal Resources Committee (FRC). FRC is responsible for recommending the annual budget to the District Council for its recommendation to the Chancellor and Board of Trustees. FRC is also responsible for annual review of the model for accreditation and can recommend any modifications to the guidelines.

The goal of the BAM is to create a documented revenue allocation process that provides financial stability and encourages fiscal accountability at all levels in times of either increasing or decreasing revenue streams. It is also intended to be simple, transparent, easy to understand, fair, predictable and consistent, using quantitative, verifiable factors with performance incentives. District Council should conduct a review(s) during each fiscal year to assess if the operation of the budget allocation model is meeting the goal.

Under state law, the District is the legal entity and is ultimately responsible for actions, decisions and legal obligations of the entire organization. The Board of Trustees of the Rancho Santiago Community College District has clear statutory authority and responsibility and, ultimately, makes all final decisions. Likewise, the Chancellor, under the direction of the Board of Trustees, is responsible for the successful operation, reputation, and fiscal integrity of the entire District. The funding model does not supplant the Chancellor's role, nor does it reduce the responsibility of the District Services staff to fulfill their fiduciary role of providing appropriate oversight of the operations of the entire District. It is important that guidelines, procedures and responsibility be clear with regard to District compliance with any and all laws and regulations such as the 50% Law, full-time/part-time faculty requirements, Faculty Obligation Number (FON), attendance accounting, audit requirements, fiscal and related accounting standards, procurement and contract law, employment relations and collective bargaining, payroll processing and related reporting requirements, etc. The oversight of these requirements are to be maintained by District Services, which has a responsibility to provide direction and data to the colleges to assure they have appropriate information for decision making with regard to resource allocation at the local level, thus, assuring District compliance with legal and regulatory requirements.

All revenue is considered District revenue because the district is the legal entity authorized by the State of California to receive and expend income and to incur expenses. However, the majority of revenue is provided by the taxpayers of California for the sole purpose of providing educational services to the communities and students served by the District. Services such as classes, programs, and student services are, with few exceptions, the responsibility of the colleges. It is the intent of the Revenue Allocation Model to allocate the majority of funds to the colleges in order to provide those educational services. The model intends to provide an opportunity to maximize resource allocation decisions at the local college level. Each college president is responsible for the successful operation and performance of his/her college as it relates to resource allocation and utilization. The purpose and function of the District Services in this structure is to maintain the fiscal and operational integrity of the District and its individual colleges and centers and to facilitate college operations so that their needs are met and fiscal stability is assured. District Services has responsibility for providing certain centralized functions, both to provide efficient operations as well as to assist in coordination between District Services and the colleges. Examples of these services include human resources, business operations, fiscal and budgetary oversight, procurement, construction and capital outlay, and information technology. On the broadest level, the goal of this partnership is to encourage and support collaboration between the colleges and District Services.

Implementation

A detailed transition plan for the implementation of the new BAM should include:

- Standards and milestones for the initial year
- An evaluation process to determine if the standards and milestones have been achieved or if there is adequate progress
- A process to ensure planning is driving the budget

The 2012-2013 fiscal year is the transitional year from the old budget allocation model to the new SB 361 model. Essentially, the first year (2012-2013) of the new model is a rollover of expenditure appropriations from the prior year 2011-2012. Therefore the 2011/12 ending balance funds are used on a one time basis to cover the structural deficit spending in the 2012/13 fiscal year.

An SB 361 Budget Allocation Model Implementation Technical Committee (BAMIT) was established by the Budget Allocation and Planning Review Committee (BAPR) and began meeting in April 2012. The team included:

District Office:	
Peter Hardash	Vice Chancellor, Business Operations/Fiscal Services
John Didion	Executive Vice Chancellor
Adam O'Connor	Assistant Vice Chancellor, Fiscal Services
Gina Huegli	Budget Analyst
Thao Nguyen	Budget Analyst
Santa Ana College:	
Linda Rose	Vice President, Academic Affairs
Jim Kennedy	Interim Vice President, Administrative Services
Michael Collins	Vice President, Administrative Services
Santiago Canyon College:	
Aracely Mora	Vice President, Academic Affairs
Steve Kawa	Vice President, Administrative Services

BAMIT was tasked with evaluating any foreseeable implementation issues transitioning from the old model and to make recommendations on possible solutions.

The team spent the next five months meeting to discuss and agree on recommendations for implementing the transition to new model using a series of discussion topics. These agreements are either documented directly in this model narrative or included in an appendix if the topic was related solely to the transition year.

It was also agreed by BAMIT that any unforeseen issue that would arise should be brought back to FRC for review and recommendation.

Revenue Allocation

The SB 361 funding model essentially allocates revenues to the colleges in the same manner as received by the District from the State of California. This method allocates all earned revenues to the colleges.

College and District Services Budgets and Expenditure Responsibilities

Since the BAM is a revenue allocation model, all expenditures and allocation of revenues under the model are the responsibilities of the colleges and centers. Expenditure responsibilities for the colleges, District Services and Institutional Costs are summarized in Table 1.

Revenue and budget responsibilities are summarized on Table 2. The total annual revenue to each college will be the sum of base funding for each college and center as defined by SB 361 and applying the current FTES rates for credit base, noncredit base, career development and college preparation noncredit base revenues as well as any local unrestricted or restricted revenues earned by the college.

The revenue allocations will be regularly reviewed by FRC. In reviewing the allocation of general funds, FRC should take into consideration all revenues, including restricted revenues, available to each of the Budget Centers less any apportionment deficits, property tax shortfalls or uncollected student fees or shortfalls. If necessary, FRC will recommend adjustments to District Council for submission to the Chancellor.

The expenditures allocated for District Services and for Institutional Costs will be developed based on the projected levels of expenditure for the prior fiscal year, taking into account unusual or one-time anomalies, reviewed by FRC and the District Council and approved by the Chancellor and the Board of Trustees. ~~This funding method is essentially a chargeback to the colleges.~~ *3 year DPP, Augmentation requests, process???

DISTRICT SERVICES – Examples are those expenses associated with the operations of the Chancellor's Office, Board of Trustees, Public Affairs, Human Resources, Risk Management, Educational Services, Institutional Research, Business Operations, Internal Auditing, Fiscal Services, Payroll, Purchasing, Facilities Planning, ITS and Safety Services. Economic Development expenditures are to be included in the District Services budget but clearly delineated from other District expenditures.

INSTITUTIONAL COSTS – Examples are those expenses associated with State and Federal regulatory issues, property, liability and other insurances, board election, interfund transfers and Retiree Health Benefit Costs.

An annual review of District Services and Institutional Costs will be conducted by District Council each fall in order to give time to complete the evaluation in time to prepare for the following fiscal year budget cycle and implement any suggestions. The review will include an evaluation of the effectiveness of the services provided to assure the District is appropriately funded. If District Council believes a change to the allocation is necessary, it will submit its recommendation to FRC for funding consideration and recommendation to the Chancellor.

District Reserves and Deficits

The Board of Trustees will establish a reserve through board policy, state guidelines and budget assumptions.

The Chancellor reserves the right to adjust allocations as necessary.

The Board of Trustees is solely responsible for labor negotiations with employee groups. Nothing in this budget model shall be interpreted to infringe upon the Board's ability to collectively bargain and negotiate in good faith with employee organizations and meet and confer with unrepresented employees.

College Budget and Expenditure Responsibilities

Colleges will be responsible for funding the current programs and services that they operate as part of their budget plans. There are some basic guidelines the colleges must follow:

- Allocating resources to achieve the state funded level of FTES is a primary objective for all colleges.

- Requirements of the collective bargaining agreements apply to college level decisions.

- The FON (Faculty Obligation Number) must be maintained by each college. Full-time faculty hiring recommendations by the colleges are monitored on an institutional basis. Any financial penalties imposed by the state due to FON non-compliance will be borne proportionately by the campus not in compliance.

- In making expenditure decisions, the impact upon the 50% law calculation must be considered and budgeted appropriately. Any financial penalties imposed by the state due to 50% law non-compliance will be borne proportionally (by FTES split) by both campuses.

- With unpredictable state funding, the cost of physical plant maintenance is especially important. Lack of maintenance of the operations and district facilities and grounds will have a significant impact on the campuses and therefore needs to be addressed with a detailed plan and dedicated budget whether or not funds are allocated from the state.

Budget Center Reserves and Deficits

It is strongly recommended that the colleges and District Services budget centers set aside at least a 1% contingency reserve to handle unplanned and unforeseen expenses. If unspent by year end, this reserve falls into the year-end balance and is included in the Budget Centers' beginning balance for the following fiscal year.

If a Budget Center incurs an overall deficit for any given year, the following sequential steps will be implemented:

The Budget Center reserve shall first be used to cover any deficit. If reserves are not sufficient to cover budget expenses and/or reserves are not able to be replenished the following year, then the Budget Center is to prepare an expenditure reduction plan and/or submit a request for the use of District Reserves to help offset the deficit. The expenditure reduction plan and/or a request to use District Reserves is to be submitted to FRC. If FRC agrees with the expenditure reduction plan and/or the request to use District Reserves, it will forward the recommendation to District Council for review and recommendation to the Chancellor who will make the final determination.

Revenue Modifications

Apportionment Revenue Adjustments

It is very likely each fiscal year that the District's revenues from state apportionment could be adjusted after the close of the fiscal year in the fall, but most likely at the P1 recalculation, which occurs eight months after the close of the fiscal year. This budget model therefore will be fluid, with changes made throughout the fiscal year (P-1, P-2, P-annual) as necessary. Any increase or decrease to prior year revenues is treated as a onetime addition or reduction to the colleges' current budget year and distributed in the model based on the most up to date FTES split reported by the District and funded by the state.

An example of revenue allocation and FTES change:
$100,000,000 is originally split 70% Santa Ana College ($70,000,000) and 30% Santiago Canyon College ($30,000,000) based on FTES split at the time. At the final FTES recalculation for that year, the District earns

an additional $500,000 based on the total funded FTES. In addition, the split of FTES changes to 71%/29%. The total revenue of $100,500,000 is then redistributed $71,355,000 to Santa Ana College and $29,145,000 to Santiago Canyon College which would result in a shift of $855,000 between the colleges. A reduction in funding will follow the same calculation

It is necessary in this model to set a base level of FTES for each college. Per agreement by the Chancellor and college Presidents, the base FTES split of 70.80% SAC and 29.20% SCC will be utilized for the 2013/14 tentative budget. Similar to how the state sets a base for district FTES, this will be the beginning base level for each college. Each year through the planning process there will be a determination made if the district has growth potential for the coming fiscal year. Each college will determine what level of growth they believe they can achieve and targets will be discussed and established through Chancellor's Cabinet. For example, if the district believes it has the opportunity for 2% growth, the colleges will determine the level of growth they wish to pursue. If both colleges decide to pursue and earn 2% growth and the district is funded for 2% growth, then each college's base would increase 2% the following year. In this case the split would still remain 70.80%/29.20% as both colleges moved up proportionately (Scenario #1). If instead, one college decides not to pursue growth and the other college pursues and earns the entire district 2% growth, all of these FTES will be added to that college's base and therefore its base will grow more than 2% and the split will then be adjusted (Scenario #2).

Using this same example in which the district believes it has the opportunity for 2% growth, and both colleges decide to pursue 2% growth, however one college generates 3% growth and the other generates 2%, the college generating more FTES would have unfunded over cap FTES. The outcome would be that each college is credited for 2% growth, each base increases 2% and the split remains (Scenario #3). If instead, one college generates 3% and the other college less than 2%, the college generating the additional FTES can earn its 2% target plus up to the difference between the other college's lost FTES opportunity and the total amount funded by the district (Scenario #4).

This model should also include a stability mechanism. In a year in which a college earns less FTES than its base, the base FTES will remain intact following the state method for stabilization. That college is in funding stability for <u>one year</u>, but has up to three years in which to earn back to its base FTES. The funding for this stability will be from available district Budget Stabilization Funds. If this fund has been exhausted, the Chancellor will determine the source of funding. If the college does not earn back to its base during this period, then the new lower FTES base will be established. As an example (Scenario #5), year one there is 2% growth opportunity. One of the colleges earns 2% growth but the other college declines by 1%, going into stability. This year the college that declined is held at their base level of FTES while the other college is credited for their growth. In the second year of the example, there is no growth opportunity, but the college that declined recaptures FTES to the previous year base to emerge from stability. Note that since the other college grew in year one, the percentage split has now changed.

All of these examples exclude the effect of statewide apportionment deficits. In the case of any statewide deficits, the college revenues will be reduced accordingly. In addition, the Chancellor reserves the right to make changes to the base FTES as deemed necessary in the best interest of the district as a whole.

	Base FTES	% split	Scenario #1	New FTES	% split
SAC	19,824	70.80%	2.00%	20,220.48	70.80%
SCC	8,176	29.20%	2.00%	8,339.52	29.20%
	28,000		2.00%	28,560.00	
	Base FTES	**% split**	**Scenario #2**	**New FTES**	**% split**
SAC	19,824	70.80%	2.82%	20,384.00	71.37%
SCC	8,176	29.20%	0.00%	8,176.00	28.63%
	28,000		2.00%	28,560.00	
	Base FTES	**% split**	**Scenario #3**	**New FTES**	**% split**
SAC	19,824		3.00%	20,418.72	
unfunded				(198.24)	
SAC	19,824	70.80%	2.00%	20,220.48	70.80%
SCC	8,176	29.20%	2.00%	8,339.52	29.20%
	28,000		2.00%	28,560.00	
	Base FTES	**% split**	**Scenario #4**	**New FTES**	**% split**
SAC	19,824		3.00%	20,418.72	
unfunded				(136.92)	
SAC	19,824	70.80%	2.31%	20,281.80	71.01%
SCC	8,176	29.20%	1.25%	8,278.20	28.99%
	28,000		2.00%	28,560.00	
YEAR 1	**Base FTES**	**% split**	**Scenario #5**	**New FTES**	**% split**
Actual Generated:					
SAC	19,824	70.80%	-1.00%	19,625.76	70.18%
SCC	8,176	29.20%	2.00%	8,339.52	29.82%
	28,000		-0.124%	27,965.28	
Calculated for Stability:					
SAC	19,824		-1.00%	19,625.76	
stabilization				282.24	
SAC	19,824	70.80%	0.42%	19,908.00	70.48%
SCC	8,176	29.20%	2.00%	8,339.52	29.52%
	28,000		0.884%	28,247.52	
YEAR 2					
Actual Generated:					
SAC	19,625.76	70.18%	1.44%	19,908.00	70.48%
SCC	8,339.52	29.82%	0.00%	8,339.52	29.52%
	27,965.28		1.009%	28,247.52	

Allocation of New State Revenues
Growth Funding: Plans from the Planning and Organizational Effectiveness Committee (POE) to seek growth funding requires FRC recommendation and approval by the Chancellor, and the plans should include how growth funds will be distributed if one of the colleges does not reach its growth target. A college seeking the opportunity for growth funding will utilize its own carryover funds to offer a schedule to achieve the desired growth. Once the growth has been confirmed as earned and funded by the state and distributed to the district, the appropriate allocation will be made to the college(s) generating the funded growth back through the model. Growth/Restoration Funds will be allocated to the colleges when they are actually earned.

Revenues which are not college specific (for example, student fees that cannot be identified by college), will be allocated based on total funded FTES percentage split between the campuses.

After consultation with district's independent audit firm, the implementation team agreed that any unpaid uncollected student fees will be written off as uncollectible at each year end. This way, only actual collected revenues are distributed in this model. At P-1, P-2 and P-annual, uncollected fee revenues will be adjusted.

Due to the instability of revenues, such as interest income, discounts earned, auction proceeds, vendor rebates (not including utility rebates which are budgeted in Fund 41 for the particular budget center) and mandated cost reimbursements, revenues from these sources will **not** be part of the revenue allocation formula. Income derived from these sources will be deposited to the institutional reserves. If an allocation is made to the colleges from mandated cost reimbursements and the claims are later challenged and require repayment, the colleges receiving the funds will be responsible for repayment at the time of repayment or withholding of funds from the state.

Cost of Living Adjustments: COLAs included in the tentative and adopted budgets shall be sequestered and not allocated for expenditure until after collective bargaining for all groups have been finalized.

Lottery Revenue: Income for current year lottery income is received based on the prior fiscal year's FTES split. At Tentative Budget, the allocation will be made based on projected FTES without carryover. At Adopted Budget, final FTES will be used and carryovers will be included.

Other Modifications

Salary and Benefits Cost
All authorized full time and ongoing part time positions shall be budgeted with corresponding and appropriate fixed cost and health and welfare benefits. Vacant positions will be budgeted at the beginning of the fiscal year or when newly created at the ninth place ranking level (Class VI, Step 10) for full-time faculty and at the mid-level for other positions (ex. Step 3 for CSEA, Step 4 for Management, and AA step 6 for teachers and BA step 6 for master teachers in child development), with the district's contractual cap for the health and welfare benefits. The full cost of all positions, regardless of the budgeted amount, including step and column movement costs, longevity increment costs and any additional collective bargaining agreement costs, will be charged to the particular Budget Center. The colleges are responsible for this entire cost, including any increases or adjustments to salary or benefits throughout the year. If a position becomes vacant during a fiscal year, the Budget Center has the discretion to move unused and available budget from the previous employee's position for other one-time costs until filled or defunded. Any payoffs of accrued vacation, or any additional costs incurred at separation from employment with the district, will be borne by the particular Budget Center. When there is a vacancy that won't be filled immediately, Human Resources should be consulted as to how long it can remain vacant. The colleges should also consult Human Resources regarding the FON when recommending to defund faculty positions.

Grants/Special Projects
Due to the timeliness issues related to grants, approvals rest with the respective Chancellor's Cabinet member, through established processes, in all cases except for Economic Development grants in which a new grant opportunity presents itself which requires an increase to the District Office budget due to match or other unrestricted general fund cost. In these cases, the grant will be reviewed by Chancellor's Cabinet with final approval made by the Chancellor.

Some grants allow for charges of indirect costs. These charges will accumulate by Budget Center during each fiscal year. At fiscal year end, once earned, each college will be allocated 100% of the total indirect earned by that college and transferred into Fund 13 the following year to be used for one-time expenses. The indirect earned by district projects will roll into the institutional ending fund balance.

It is the district's goal to fully expend grants and other special project allocations by the end of the term, however sometimes projects end with a small overage or can be under spent. For any overage or allowable amount remaining, these amounts will close into the respective Budget Center's Fund 13 using 7200 transfers.

Banked LHE Load Liability
Beginning in 2012/13, the liability for banked LHE will be accounted for in separate college accounts. The cost of faculty banking load will be charged to the college during the semester the course is taught and added to the liability. When an instructor takes banked leave, they will be paid their regular salary and district office will make a transfer from the liability to the college 1300 account to pay the backfill cost of teaching the load. A college cannot permanently fill a faculty position at the time someone takes their final year or semester off before retirement. Filling a vacancy cannot occur until the position is actually vacant. In consultation with Human Resources and Fiscal Services, a college can request to swap another faculty vacancy they may have in another discipline or pay the cost differential if they determine programmatically it needs to be filled sooner.

This method will appropriately account for the costs of each semester offerings and ensure an appropriate liability. Although the liability amounts will be accounted for by college, only District Fiscal Services will be able to make transfers from these accounts. Each year end a report will be run to reconcile the total cost of the liability and if any additional transfers are required, the colleges will be charged for the differences.

Other Possible Strategic Modifications
Summer FTES
There may be times when it is in the best financial interest of the District to shift summer FTES between fiscal years. When this occurs, the first goal will be to shift FTES from both colleges in the same proportion as the total funded FTES for each of the colleges. If this is not possible, then care needs to be exercised to ensure that any such shift does not create a disadvantage to either college. If a disadvantage is apparent, then steps to mitigate this occurrence will be addressed by FRC.

Borrowing of summer FTES is not a college-level decision, but rather it is a District-level determination. It is not a mechanism available to individual colleges to sustain their internal FTES levels.

Long-Term Plans
<u>Colleges:</u> Each college has a long-term plan for facilities and programs. The Chancellor, in consultation with the Presidents, will evaluate additional funding that may accrue to the colleges beyond what the model provides. The source of this funding will also have to be identified.

Santa Ana College utilizes the Educational Master Plan in concert with the SAC Strategic Plan to determine the long-term plans for the college. Long-term facilities plans are outlined in the latest Facilities Master Plan, and are rooted in the Educational Master Plan. SAC links planning to budget through the use of the SAC

Comprehensive Budget Calendar, which includes planning milestones linked to the college's program review process, Resource Allocation Request (RAR) process, and to the District's planning and budget calendar. As a result of the Program Review Process, resource allocation needs are requested via the RAR process, which identifies specific resources required to achieve specific intended outcomes. The budget augmentation requests are then prioritized at the department, division, and area level in accordance with established budget criteria. The college's Planning and Budget Committee reviews the prioritized RARs, and they are posted to the campus Planning and Budget web page for the campus community to review. As available resources are realized, the previously prioritized RAR are funded.

At Santiago Canyon College, long-term plans are developed similarly to short-term plans, and exist in a variety of interconnected processes and documents. Department Planning Portfolios (DPP) and Program Reviews are the root documents that form the college's Educational Master Plan and serve to align planning with resource allocation. The allocation of resources is determined through a formal participatory governance process. The Planning and Institutional Effectiveness (PIE) committee is the participatory governance committee that is charged with the task of ensuring resource allocation is tied to planning. Through its planning cycle, the PIE committee receives resource requests from all college units and ensures that each request aligns with the college mission, college goals, program reviews, and DPPs. All requests are then ranked by the PIE committee, placed on a college-wide prioritized list of resource requests, and forwarded to the college budget committee for review. If the budget committee identifies available funds, those funds are noted on the prioritized list, and sent back to the PIE committee. The PIE committee then forwards the prioritized list, along with the budget committee's identification of available funds, to College Council for approval of the annual budget.

District Services: District Services and Institutional Costs may also require additional funding to implement new initiatives in support of the colleges and the district as a whole. ~~FRC will evaluate requests for such funds on a case-by-case basis and submit a recommendation to the Chancellor~~. POE will evaluate budget augmentation requests and forward a recommendation to District Council. District Council may then refer such requests to FRC for funding consideration.

Full-Time Faculty Obligation Number (FON)
To ensure that the District complies with the State required full-time Faculty Obligation Number (FON), the Chancellor will establish a FON for each college. Each college shall be required to fund at least that number of full-time faculty positions. If the District falls below the FON and is penalized, the amount of the penalty will be deducted from the revenues of the college(s) causing the penalty. FRC, along with the District Enrollment Management Committee, should regularly review the FON targets and actuals and determine if any budget adjustment is necessary. If an adjustment is needed, FRC should develop a proposal and forward it to POE Committee for review and recommendation to the Chancellor.

Budget Input
Using a system for Position Control, Fiscal Services will budget 100% of all regular personnel cost of salary and benefits, and notify the Budget Centers of the difference between the computational total budget from the Budget Allocation Model and the cost of regular personnel. The remaining line item budgets will roll over from one year to the next so the Budget Centers are not required to input every line item. The Budget Centers can make any allowable budget changes at their discretion and will also be required to make changes to reconcile to the total allowable budget per the model.

Appendix Attached

A. Definition of Terms

	TABLE 1 Expenditure and Budget Responsibilities	Santa Ana College & CEC ☑	Santiago Canyon College & OEC ☑	District Services ☑	Institutional or Districtwide monitoring ☑
Academic Salaries- (1XXX)					
1	State required full-time Faculty Obligation Number (FON)	✓	✓	✓	✓
2	Bank Leave	✓	✓		✓
3	Impact upon the 50% law calculation	✓	✓	✓	✓
4	Faculty Release Time	✓	✓		✓
5	Faculty Vacancy, Temporary or Permanent	✓	✓		
6	Faculty Load Banking Liability	✓	✓		✓
7	Adjunct Faculty Cost/Production	✓	✓		
8	Department Chair Reassigned Time	✓	✓		✓
9	Management of Sabbaticals (Budgeted at colleges)	✓	✓		✓
10	Sick Leave Accrual Cost	✓	✓		✓
11	AB1725	✓	✓		
12	Administrator Vacation	✓	✓	✓	
Classified Salaries- (2XXX)					
1	Classified Vacancy, Temporary or Permanent	✓	✓	✓	
2	Working Out of Class	✓	✓	✓	
3	Vacation Accrual Cost	✓	✓	✓	
4	Overtime	✓	✓	✓	
5	Sick Leave Accrual Cost	✓	✓	✓	
6	Compensation Time taken	✓	✓	✓	
Employee Benefits-(3XXX)					
1	STRS Employer Contribution Rates, Increase/(Decrease)	✓	✓	✓	
2	PERS Employer Contribution Rates, Increase/(Decrease)	✓	✓	✓	
3	OASDI Employer Rates, Increase/(Decrease)	✓	✓	✓	
4	Medicare Employer Rates, Increase/(Decrease)	✓	✓	✓	
5	Health and Welfare Benefits, Increases/(Decrease)	✓	✓	✓	
6	SUI Rates, Increase/(Decrease)	✓	✓	✓	
7	Workers' Comp. Rates, Increase/(Decrease)	✓	✓	✓	
8	Retiree Health Benefit Cost				
	-OPEB Liability vs. "Pay-as-you-go"				✓
9	Cash Benefit Fluctuation, Increase/(Decrease)	✓	✓	✓	
Other Operating Exp & Services-(5XXX)					
1	Property and Liability Insurance Cost				✓
2	Waiver of Cash Benefits	✓	✓	✓	

3	Utilities				
	-Gas	✓	✓	✓	
	-Water	✓	✓	✓	
	-Electricity	✓	✓	✓	
	-Waste Management	✓	✓	✓	
	-Water District, Sewer Fees	✓	✓	✓	
4	Audit			✓	✓
5	Board of Trustee Elections				✓
6	Scheduled Maintenance	✓	✓		✓
7	Copyrights/Royalties Expenses	✓	✓		
Capital Outlay-(6XXX)					
1	Equipment Budget				
	-Instructional	✓	✓	✓	✓
	-Non-Instructional	✓	✓	✓	✓
2	Improvement to Buildings	✓	✓	✓	✓
3	Improvement to Sites	✓	✓	✓	✓

TABLE 2 Revenue and Budget Responsibilities		**Santa Ana College & CEC ☑**	**Santiago Canyon College & OEC ☑**	**District Services ☑**	**Institutional or Districtwide monitoring ☑**
Federal Revenue- (81XX)					
1	Grants Agreements	✓	✓	✓	
2	General Fund Matching Requirement	✓	✓	✓	
3	In-Kind Contribution (no additional cost to general fund)	✓	✓	✓	
4	Indirect Cost (overhead)	✓	✓		✓
State Revenue- (86XX)					
1	Base Funding	✓	✓		✓
2	Apportionment	✓	✓		✓
3	COLA or Negative COLA	✓	✓	✓	✓ subject to collective bargaining
4	Growth, Work Load Measure Reduction, ***Negative Growth***	✓	✓	✓	✓
5	Categorical Augmentation/Reduction	✓	✓	✓	
6	General Fund Matching Requirement	✓	✓	✓	
7	Apprenticeship	✓	✓		
8	In-Kind Contribution	✓	✓	✓	
9	Indirect Cost	✓	✓		✓
10	Lottery				

	- Unrestricted (abate cost of utilities)	✓	✓	✓	
	- Restricted-Proposition 20	✓	✓		
11	Instructional Equipment Matches (3:1)	✓	✓		✓ and will have chargeback to site proportionally
12	Scheduled Maintenance Matches (1:1)	✓	✓	✓	✓ and will have chargeback to site proportionally
13	Part time Faculty Compensation Funding	✓	✓		✓ subject to collective bargaining
14	State Mandated Cost	✓	✓		✓
Local Revenue- (88XX)					
1	Contributions	✓	✓	✓	
2	Fundraising	✓	✓	✓	
3	Proceed of Sales	✓	✓	✓	
4	Health Services Fees	✓	✓		
5	Rents and Leases	✓	✓	✓	
6	Enrollment Fees	✓	✓		
7	Non-Resident Tuition	✓	✓		
8	Student ID and ASB Fees	✓	✓		
9	Parking Fees			✓	✓

Rancho Santiago Community College District

Budget Allocation Model Based on SB 361

Appendix A – Definition of Terms

AB 1725 – Comprehensive California community college reform legislation passed in 1988, that covers community college mission, governance, finance, employment, accountability, staff diversity and staff development.

Accreditation – The review of the quality of higher education institutions and programs by an association comprised of institutional representatives. The Accrediting Commission for Community and Junior Colleges (ACCJC) of the Western Association of Schools and Colleges (WASC) accredits California's community colleges.

Apportionments – Allocations of state or federal aid, local taxes, or other monies among school districts or other governmental units. The district's base revenue provides most of the district's revenue. The state general apportionment is equal to the base revenue less budgeted property taxes and student fees. There are other smaller apportionments for programs such as apprenticeship and EOPS.

Augmentation – An increased appropriation of budget for an intended purpose.

Bank Leave – Faculty have the option to "bank" their beyond contract teaching load instead of getting paid during that semester. They can later request a leave of absence using the banked LHE.

BAM – Budget Allocation Model.

BAPR – Budget and Planning Review Committee.

Base FTES – The amount of funded actual FTES from the prior year becomes the base FTES for the following year. For the tentative budget preparation, the prior year P1 will be used. For the proposed adopted budget, the prior year P2 will be used. At the annual certification at the end of February, an adjustment to actual will be made.

Budget Center – The three Budget Centers of the district are Santa Ana College, Santiago Canyon College and the District Services.

Budget Stabilization Fund – The portion of the district's ending fund balance, in excess of the 5% reserve, budget center carryovers and any restricted balances, used for one-time needs in the subsequent year.

Cap – An enrollment limit beyond which districts do not receive funds for additional students.

Capital Outlay – Capital outlay expenditures are those that result in the acquisition of, or addition to, fixed assets. They are expenditures for land or existing buildings, improvement of sites, construction of buildings, additions to buildings, remodeling of buildings, or initial or additional equipment. Construction-related salaries and expenses are included.

Categorical Funds – Money from the state or federal government granted to qualifying districts for special programs, such as Matriculation or Vocational Education. Expenditure of categorical funds is restricted to the fund's particular purpose. The funds are granted to districts in addition to their general apportionment.

Center – An off-campus site administered by a parent college that offers programs leading to certificates or degrees that are conferred by the parent institution. The district centers are Centennial Education Center and Orange Education Center.

COLA – Cost of Living Adjustment allocated from the state calculated by a change in the Consumer Price Index (CPI).

Defund – Permanently eliminating a position and related cost from the budget.

Fifty Percent Law (50% Law) – Section 84362 of the Education Code, commonly known as the Fifty Percent Law, requires each community college district to spend at least half of its "current expense of education" each fiscal year on the "salaries of classroom instructors." Salaries include benefits and the salaries of instructional aides.

Fiscal Year – Twelve calendar months; in California, it is the period beginning July 1 and ending June 30. Some special projects use a fiscal year beginning October 1 and ending September 30, which is consistent with the federal government's fiscal year.

FON – Faculty Obligation Number, the number of full time faculty the district is required to employ as set forth in title 5, section 53308.

FRC – Fiscal Resources Committee.

FTES – Full Time Equivalent Students. The number of students in attendance as determined by actual count for each class hour of attendance or by prescribed census periods. Every 525 hours of actual attendance counts as one FTES. The number 525 is derived from the fact that 175 days of instruction are required each year, and students attending classes three hours per day for 175 days will be in attendance for 525 hours. That is, three times 175 equals 525.

Fund 11 – The unrestricted general fund used to account for ongoing revenue and expenditures.

Fund 12 – The restricted general fund used to account for categorical and special projects.

Fund 13 – The unrestricted general fund used to account for unrestricted carryovers and one-time revenues and expenses.

Growth – Funds provided in the state budget to support the enrollment of additional FTE students.

In-Kind Contributions – Project-specific contributions of a service or a product provided by the organization or a third-party where the cost cannot be tracked back to a cash transaction which, if allowable by a particular grant, can be used to meet matching requirements if properly documented. In-kind expenses generally involve donated labor or other expense.

Indirect Cost – Indirect costs are institutional, general management costs (i.e., activities for the direction and control of the district as a whole) which would be very difficult to be charged directly to a particular project. General management costs consist of administrative activities necessary for the general operation of the agency, such as accounting, budgeting, payroll preparation, personnel services, purchasing, and centralized data processing. An indirect cost rate is the percentage of a district's indirect costs to its direct costs and is a standardized method of charging individual programs for their share of indirect costs.

LHE – Lecture Hour Equivalent. The standard instructional work week for faculty is fifteen (15) LHE of classroom assignments, fifteen (15) hours of preparation, five (5) office hours, and five (5) hours of institutional service. The normal teaching load for faculty is thirty (30) LHE per school year.

Mandated Costs – District expenses which occur because of federal or state laws, decisions of federal or state courts, federal or state administrative regulations, or initiative measures.

Modification – The act of changing something.

POE – Planning and Organizational Effectiveness Committee.

Proposition 98 – Proposition 98 refers to an initiative constitutional amendment adopted by California's voters at the November 1988 general election which created a minimum funding guarantee for K-14 education and also required that schools receive a portion of state revenues that exceed the state's appropriations limit.

Reserves – Funds set aside to provide for estimated future expenditures or deficits, for working capital, economic uncertainty, or for other purposes. Districts that have less than a 5% reserve are subject to a fiscal 'watch' to monitor their financial condition.

SB 361 – The New Community College Funding Model (Senate Bill 361), effective October 1, 2006, includes funding base allocations depending on the number of FTES served, credit FTES funded at an equalized rate, noncredit FTES funded at an equalized rate, and enhanced noncredit FTES funded at an equalized rate. The intent of the formula is to provide a more equitable allocation of system wide resources, and to eliminate the complexities of the previous Program Based Funding model while still retaining focus on the primary component of that model, instruction. In addition, the formula provides base operational allocations for colleges and centers scaled for size.

Seventy-five/twenty-five (75/25) – Refers to policy enacted as part of AB 1725 that sets 75 percent of the hours of credit instruction as a goal for classes to be taught by full-time faculty.

Target FTES – The estimated amount of agreed upon FTES the district or college anticipates the opportunity to earn growth/restoration funding during a fiscal year.

Title 5 – The portion of the California Code of Regulations containing regulations adopted by the Board of Governors which are applicable to community college districts.

1300 accounts – Object Codes 13XX designated to account for part time teaching and beyond contract salary cost.

7200 Transfers – Intrafund transfers made between the restricted and unrestricted general fund to close a categorical or other special project at the end of the fiscal year or term of the project.

Vacant Funded Positions as of 5/20/2015 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Title	Reasons	Site	Effective Date	Notes	2014-15 Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Chin, Al	Director, District Safety & Security	Retirement	**District**	12/30/2013	interim by A. Winter	50,000	
11	Wooley, James	District Safety & Security Supervisor	Resignation	**District**	7/10/2014	CL14-0571 - interim by M. Colver	-	**50,000**
80%-fd 11 20%-fd 12	Anthony, Mary	Professor, Math	Retirement	**SAC**	6/6/2015	AC15-0420 fund Assistant Professor of Mathematics - Corp, Richard	-	
11	Bales, Terry	Professor, TV/Film/Video	Retirement	**SAC**	6/5/2015	AC15-0426 fund Assistant Profgessor of TV/Video Comm	-	
100%-fd 12	Blake, Sherri	Counselor	Retirement	**SAC**	11/17/2014	AC15-0432 fund Assistant Professor/Counselor		
11	Bowers, Cherie	Professor, Math	Retirement	**SAC**	6/6/2015	AC15-0416 fund Assistant Professor Fitness/Wellness/Fire Tech	-	
11	Carrera, Cheryl	Professor, Math	Interim assisgnment	**SAC**	8/20/2012	Interim Dean, Science, Math & Health Services and #B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0420 fund Assistant Professor of Mathematics - Ro, Kelly	-	
11	Crabb, Patrick	Professor, Art	Retirement	**SAC**	12/13/2014	#B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0424 fund Assistant Professor of Studio Arts	23,327	
11	Dethlefsen, Elaine	Professors, Emergency Med Tech	Retirement	**SAC**	6/6/2015	AC15-0419 fund Assistant Professor of Emergency Med Tech - Dibb, Patrick	-	
11	Dooley, Bennie Allen	Dean, Business Division	Resignation	**SAC**	8/1/2014	AC14-0393 - Madeline Grant interim Dean	-	
11	Finch, John	Asst. Dean, CJ Academies	Retirement	**SAC**	4/15/2015		10,863	
11	Grant, Madeline	Professor, Management/Marketing	Interim assisgnment	**SAC**	9/23/2014	Interim Dean, Business Division	89,918	
11	Horgan, Linda	Associate Professor, Nursing	Resignation	**SAC**	8/17/2014	#B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0418 - Brown, Stephen	46,987	
11	Kalko, John	Professor, Physical Sciense	Retirement	**SAC**	6/7/2014	#B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0412 fund Assistant Professor of English - Higgins, Conor	27,511	
11	Kikawa, Eve	Professor, Dance	Interim assisgnment	**SAC**	8/20/2013	Interim Dean, Fine and Performing Arts	84,193	
11	MacBride-Hart, Christy	Professor, Mathematics	Retirement	**SAC**	6/6/2015	AC15-0420 fund Assistant Professor of Mathematics - Mishal, Amit	-	
11	Martin, Ronald	Professor, History	Retirement	**SAC**	6/6/2015	AC15-0423 fund Assistant Professor of Art History	-	**601,214**
11	Nichols, Bruce	Professor, Computer Information System	Retirement	**SAC**	6/6/2015	AC15-0422 fund Assistant Professor of Computer Science	-	
11	Nashua, Loy	Associate Dean, Student Development	Resignation	**SAC**	5/5/2015	AC15-0438	13,801	
11	Pugh, James	Professor, Child Dev/Educ	Retirement	**SAC**	6/5/2015		-	
11	Saliba, Elizabeth	Librarian/Associate Professor	Resignation	**SAC**	6/6/2015		-	
11	Smith, Sol	Professor, English	Contract not being renev	**SAC**	8/3/2014	#B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0412 fund Assistant Professor of English - Bootman, Ashly	-	
11	Maintenance Supervisor	Maintenance Supervisor	Reorg#857/Req#CL14-0581	**SAC**	8/4/2014	Reorg#857/Req#CL14-0581. Per HR Chancellor's cabinet put on hold 8-11-14 - to defund this person replacement	109,376	
11	~~Director, Special Programs~~	Director, Special Programs	Reorg#809/Req#CL14-0474	**SAC**	10/8/2013	Reorg#809/Req#CL14-0474. Per Elouise in HR, Chancellor's cabinet put position on hold 7-14-14 - defund FY 15-16	139,437	
11	Turner, Sylvia	Dean Fine & Performing Arts	Retirement	**SAC**	7/31/2013	Recruiting #AC13-0310 - E. Kikawa (interim). New Req#AC14-0376. New Req#AC14-0403	-	
25%-fd 11 75%-fd 12	Vu, John	Professor/Coordinator, GEAR UP	Retirement	**SAC**	6/30/2014		28,055	
11	Wilkes, Douglas	Professor/Automotive Technology	Retirement	**SAC**	7/24/2014	#B014659 One time transfer of 6 vacant FT Faculty positions to PT 11-0000-499900-15051-1310 - AC15-0417 fund Assistant Professor of Criminal Justice	27,746	
	Assistant Professor of Psychology	Assistant Professor of Psychology	New position FY 15-16	**SAC**	1/6/2015	AC15-0414 - Powell, Chara	-	
	Assistant Professor of Kinesiology/Baseball Coach	Assistant Professor of Kinesiology/Baseball Coach	New position FY 15-16	**SAC**	1/6/2015	AC15-0415 - Nilles, Tom	-	
	Assistant Professor of Accounting	Assistant Professor of Accounting	New position FY 15-16	**SAC**	1/6/2015	AC15-0421 - Strong, John	-	
	Assistant Professor/Librarian	Assistant Professor/Librarian	New position FY 15-16	**SAC**	1/6/2015	AC15-0425	-	
	Assistant Professor of Dance	Assistant Professor of Dance	New position FY 15-16	**SAC**	1/6/2015	AC15-0427	-	
	Assistant Professor/Counselor	Assistant Professor/Counselor	New position FY 15-16	**SAC**	1/6/2015	AC15-0431	-	
	Assistant Professor of Nursing	Assistant Professor of Nursing	New position FY 15-16	**SAC**	1/6/2015	AC15-0434	-	
	Assistant Professor of Mathematics	Assistant Professor of Mathematics	New position FY 15-16	**SAC**	1/6/2015	AC15-0435 - Burke, Jeffery	-	
11	Kennedy, James	Dean, Instr & Std Svcs	Promotion	**OEC**	8/1/2011	Promotion to VP CEC effective March 11,2014-Mary Walker-interim	-	
11	Magalousis, Nicholas	Anthropology Instructor	Retirement	**SCC**	6/9/2015	AC15-0405 fund Assistant Professor of English - Pecenkovic, Nidzara	-	
11	Miskovic, Linda	Associate Dean of Admission/Records	Retirement	**SCC**	2/27/2015	AC15-0446 - Reorg#892 from Associate Dean, Admissions & Records to Dean of Enrollment & Support Services	-	
11	Motokane, Carolyn	Counseling/Professor	Retirement	**SCC**	6/30/2015	AC15-0407 fund Assistant Professor of Geography	-	**203,181**
11	Rizvi, Syed	Associate Dean of Financial Aid	Promotion	**SCC**	3/18/2015	Reorg #892 - Denise Donn - interim as Associated Dean of Financial A	-	
11	Slager, Bonnie	Professor, Accounting	Retirement	**SCC**	6/6/2014	AC15-0406 fund Assistant Professor of Accounting-Kirchen, DeAnna	67,299	
11	Stringer, Martin	Associate Dean/Athletic Director	Promotion	**SCC**	7/1/2010	Promotion to Dean of Math & Sci - reduced out of salary account (-35220) and #B014657 SCC 2014-15 reductions/budget cuts to 11-0000-000000-20000-5800	-	
11	Varela, Anita	Librarian/Associate Professor	Retirement	**SCC**	2/3/2015	AC15-0430 fund Assistant Professor of Library and Information Science	35,708	
11	Walker, Mary	Coordinator, ESL Integrated	Interim assisgnment	**SCC**	7/1/2014	Interim Dean Instruction & Student Services	100,175	
11	Wright, Sharon	Counselor	Retirement	**SCC**	6/5/2015	AC15-0460 - Graham, Song	-	
	Assistant Professor of Psychology	Assistant Professor of Psychology	New position FY 15-16	**SCC**	1/6/2015	AC15-0408	-	
	Assistant Professor of Mathematics	Assistant Professor of Mathematics	New position FY 15-16	**SCC**	1/6/2015	AC15-0409 - filled by V. Danova	-	
	Assistant Professor of Chemistry	Assistant Professor of Chemistry	New position FY 15-16	**SCC**	1/6/2015	AC15-0410	-	
	Assistant Professor of Biology	Assistant Professor of Biology	New position FY 15-16	**SCC**	1/6/2015	AC15-0411	-	
							854,395	

	Classified	Title	Reasons		Effective Date	Notes	2014-15 Annual Budgeted Salary/Ben	Total Unr. General Fund by Site
11	Auxiliary Services Specialist	Auxiliary Services Specialist	Reorg#863/CL14-0580	**District**		Reorg#863/CL14-0580	82,558	
11	Administrative Secretary	Administrative Secretary-P/T	reorg #856	**District**		reorg #856 - CL14-0584 (cancelled reorg#829)	22,832	
11	~~Audit Specialist~~	Audit Specialist	Reorganization#729	**District**	7/1/2010	Reorganization #729. CL15-0617 Funding for position in restricted acct 12-2214-672000-54113-2130-filled by C. Nguyen-GF still available - defund FY 15-16	103,053	
11	Bagdonas, Elijah	Tech Spec I	Resignation	**District**	11/21/2014		37,531	
11	Basham, Sherri	Payroll Specialist	Promotion	**District**	12/9/2014		41,429	
11	Business Systems Analyst	Business Systems Analyst	Reorg#817/CL13-0482	**District**	10/18/2013	Reorg#817/CL13-0482 was cancelled. New Req#CL14-0523 job description being updated	98,673	
48%-fd 11 52%-fd 12	Frausto Aguado, Erica	Business Services Coordinator	Resignation	**District**	9/26/2014	CL14-0608 - FUNDING NEEDS TO BE ALL FD 12 WHEN HIRED	16,996	**744,774**
11	Godoy, Giovanni	CM-Custodian	Promotion	**District**	2/21/2015		2,883	
11	~~Guzman, Noemi~~	Accountant	Promotion	**District**	8/12/2014	CL15-0616 Funding for position in restricted acct 12-2214-672000-54212-2130 - replaced by K. Truong-position is not vacant anymore but funding for the position in unrestricted fund 11 is still available. - defund for FY 15-16	66,329	
11	Hanley, Marva	Accountant	Retirement	**District**	10/10/2014	CL14-0653	53,822	
11	Jesse, Katherine	Applications Spec III	Retirement	**District**	11/26/2014		56,704	
11	Luzader, Christopher	District Safety Officer	change to FT	**District**	3/30/2015		4,900	
11	~~Nakagawa, Phyllis~~	Account Clerk	Promotion	**District**	4/12/2015	defund FY 15-16 reorg to 19 hrs ongoing	10,571	
60%-fd 11 40%-fd 12	Ortega, Richard	District Safety Officer	Retirement	**District**	12/29/2014	CL14-0610 reposted externally	19,725	
11	Packard, Roxanne	Auxiliary Services Specialist	change to FT	**District**	9/4/2013		23,762	
11	PT Reprographic Tech	19 hrs/wk Repographic Tech	Reorg#799	**District**	9/2/2014	Reorg#799/CL14-0596 - ongoing account shift partial amount to 2320 in FY 15-16	21,833	
60%-fd 11 40%-fd 12	Russell, Suzi	Research Coordinator	Retirement	**District**	12/30/2014		27,828	
11	Truong, Kevin	Senior Account Clerk	Promotion	**District**	2/24/2015		29,216	
11	~~Vasquez, Pilar~~	Senior Account Clerk	change to FT	**District**	5/26/2014	defund FY 15-16	24,129	
11	~~Research Analyst~~	Research Analyst	Reorg#860/Req#CL14-0570	**SAC**		Reorg#860/Req#CL14-0570. Funding for position was changed to 12-2413-649000-19100-2130. Joshua Dorman#2139710 was hired 11-17-14. Funds also still remain in general fund - defund for FY 15-16 budget change # B014411 done on 9/10/14 after Adopted Budget money came from 11-0000-000004-10000-3415 (103,053)	103,053	
11	~~Fine Arts and Theater Facilities Technician~~	Fine Arts and Theater Facilities Technician	Reorg#859/CL14-0544	**SAC**	4/28/2014	Reorg#859/CL14-0544. Site submitted reorg#859 eliminating IA position (Schaffner). Budget change form (BMPR15003) moved funds to New Fine Art & Theatre Facilities Technician Per HR Chancellor's cabinet put on hold 7-14-14 - defund for FY 15-16	19,950	
11	~~Student Services Coordinator~~	Student Services Coordinator	Reorganization#807	**SAC**	11/4/2013	Reorganization#807	28,974	

Vacant Funded Positions as of 5/20/2015 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Title	Reasons	Site	Effective Date	Notes	2014-15 Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	~~Student Program Specialist~~	Student Services Specialist	Reorganization#873	**SAC**	9/12/2014	Reorg#873 changed position from Student Services Specialist vacated by Alvarado, Delmis to Student Program Specialist. No change in position grade - CL15-0627 - defund FY 15-16	14,075	
11	~~Andrade, Jose~~	Instructional Center Technician	change position	**CEC**	11/14/2014	CL15-0619 Funding for position in restricted funds 12-1101-493062-18200-2210 & 12-1102-493060-18200-2210. Funds also still remain in general fund 11-0000-493062-18200-2130 - defund FY 15-16	41,249	
11	~~Arredondo, Sandra~~	Administrative Clerk	Retirement	**SAC**	12/11/2014	defund FY 15-16	22,965	
11	~~Avila, Sandra~~	Administrative Clerk	Medical Layoff	**SAC**	1/8/2015	defund FY 15-16	7,792	
11	~~Bradford, Monica~~	Senior Clerk	Resignation	**SAC**	7/30/2014	CL14-0582. Per HR on 12/4/2014, req put on hold by Chancellor reclass #844 from GOC to Senior Clerk - defund FY 15-16	15,446	
11	~~Cabrera, Juan~~	Instructional Assistant	change position	**SAC**	9/14/2014	defund FY 15-16	13,416	
11	~~Calhoun, Karen~~	Instructional Assistant	Retirement	**SAC**	6/5/2013	defund FY 15-16	2,887	
11	~~Duong, Tommy~~	Custodian	Resignation	**SAC**	5/18/2013	defund FY 15-16	16,358	
11	~~Ediss, Michael~~	Lead Custodian	change position	**SAC**	9/16/2014	defund FY 15-16	60,708	
11	~~Hadland, Susan~~	Admissions & Records Specialist II	Retirement	**SAC**	4/28/2014	CL14-0574. In house recruitment. Closes 12-5-2014 - defund 15-16 - filled by Laura Lozano but paid out of 12-2411-620000-19205-2130	56,502	
11	~~Herrera Chavez, Violet~~	Instructional Assistant	Resignation	**CEC**	2/7/2015	CL15-0633 - defund FY 15-16	5,347	
11	Houghtaling, Charlotte	Instructional Center Technician	Medical Layoff	**SAC**	3/2/2015		3,643	
11	~~Huynh, Kim~~	Instructional Assistant	Resignation	**SAC**	9/25/2012	defund FY 15-16	11,271	
11	~~Ledesma, Maureen~~	Instructional Assistant	Resignation	**SAC**	8/10/2014	CL14-0586 Per HR on 12/4/2014, req put on hold by Chancellor-move budget **to 11-2410-150100-15635-2410 - B015254 on 1/29/15 - defund FY 15-16**	10,228	
11	~~Lokos, Joseph~~	Lead Garderner/Admin. Services	Retirement	**SAC**	12/30/2012	defund FY 15-16	82,558	
11	~~Lopez, Eduardo~~	Instructional Assistant	Resignation	**SAC**	8/24/2012	CL14-0527 -defund FY 15-16	13,204	
11	~~Lozano, Laura~~	Admissions/Records Specialist I	Promotion	**SAC**	4/13/2015	defund FY 15-16	9,140	
11	~~Mai, Kathy~~	Instructional Assistant	Resignation	**SAC**	12/13/2012	CL14-0527 - defund FY 15-16	13,147	
11	~~Marthell, Monique~~	Instructional Assistant	Change to FT	**CEC**	2/22/2015	CL15-0634 - defund FY 15-16	5,220	
70%-fd 11 30%-fd 12	~~Melendez, Lorraine~~	Senior Account Clerk	Retirement	**CEC**	4/28/2015	CL15-0632 - defund FY 15-16	2,637	
11	~~Nankivil, Donald~~	Learning Facilitator	Deceased	**SAC**	12/10/2014	defund FY 15-16	5,455	
11	~~Negrete, Stephanie~~	Senior Clerk	Administrative Term	**CEC**	9/26/2011	BO#B012712 - defund FY 15-16	77,985	**1,261,728**
11	~~Nguyen, Anthony~~	Instructional Assistant	Resignation	**SAC**	7/15/2014	defund FY 15-16	13,920	
11	~~Nguyen, Dao~~	Admissions/Records Specialist II	change position	**SAC**	1/1/2014	CL14-0515. Per HR on 12/4/2014, req put on hold by site/pending change on bilingual requirement - defund FY 15-16	19,855	
33%-fd 11 67%-fd 12	~~Nguyen, Hung~~	A/R Tech Spec	Change to FT	**SAC**	10/27/2013	defund FY 15-16	8,767	
11	~~Nguyen, Tuan Anh~~	Instructional Assistant	Resignation	**SAC**	11/11/2013	CL14-0527 - defund FY 15-16	14,210	
11	~~Nunez, Vincent~~	Publications Assistant	Resignation	**SAC**	3/27/2014	defund FY 15-16	17,077	
11	~~Palomares, Eva~~	Transfer Center Specialist	Resignation	**SAC**	7/31/2014	defund FY 15-16	21,771	
11	~~Pineda, Maribel~~	Transfer Center Specialist	Resignation	**SAC**	11/7/2014	defund FY 15-16	13,370	
11	~~Quan, Hoai~~	Data Entry Clerk	Retirement	**SAC**	7/17/2013	defund FY 15-16	57,395	
11	~~Salazar, Liliana~~	Custodian	Medical Layoff	**SAC**	5/23/2014	defund FY 15-16	76,585	
11	~~Samel, Kolap~~	Library Technician	Resignation	**SAC**	3/6/2015	defund FY 15-16	13,813	
11	~~Serratos, Brenda~~	Administrative Secretary	Promotion	**CEC**	4/4/2014	Promotion to Accountant at SAC. Replaced Abejar vacancy Site submitted reorg#854 eliminating admin secretary position vacated by Serratos for new Graduation Specialist position Per HR on 12/4/2014 reorg was cancelled - defund FY 15-16	88,137	
11	~~Simmavong, Ketsana~~	Support Services Assistant	Medical Layoff	**SAC**	4/1/2014	Req#CL14-0552.Per Elouise in HR, Chancellor's cabinet put position on hold 7-14-14 - defund FY 15-16	81,060	
11	Steele, Phyllis	Instructional Assistant	Resignation	**SAC**	2/5/2015	CL15-0615	5,963	
11	~~Storekeeper~~	PT Ongoing Fire-Tech Storekeeper	New position FY 13-14	**SAC**	6/24/2013	reorg #794/Req#CL14-0565 - defund FY 15-16	18,117	
11	~~Stump, Suzanne~~	A/R Spec II	Retirement	**SAC**	7/28/2014	CL14-0590. Per HR on 12/4/2014, requisition put on hold by Chancellor - defund FY 15-16	60,282	
11	~~Tran, Anthony Vu~~	Instructional Assistant	Resignation	**SAC**	10/6/2014	defund FY 15-16	11,414	
11	~~Tran, Phil~~	Technology Storekeeper	Retirement	**SAC**	1/30/2015		14,963	
11	~~Trujillo-Zuniga, Beatrice~~	Senior Clerk	change to FT	**SAC**	9/29/2014	CL14-0607 Per HR on 12/4/2014, requisition put on hold by Chancellor - defund FY 15-16	16,610	
11	~~Walczak, Katharine~~	Instructional Center Spec	Resignation	**SAC**	8/17/2014	defund FY 15-16	65,214	
11	~~Durdella, Diane~~	Administrative Secretary	Retirement	**SCC**	7/31/2014	#B014657 SCC 2014-15 reductions/budget cuts to 11-0000-000000-20000-5800 - defund FY 15/16	68,298	
78%-fd 11 22%-fd 12	Espitia, Diane	Student Program Specialist	Retirement	**SCC**	2/20/2015	11-0000-620000-28100-2130 (78%) 12-1102-620000-28100-2130(22%)	12,853	
11	Holmes, Michelle	Learning Assistant	Resignation	**SCC**	2/8/2013	#B014657 SCC 2014-15 reductions/budget cuts to 11-0000-000000-20000-5800	-	**129,228**
11	~~Meade (Romero), Esther~~	Admissions & Records Specialist II	change to FT	**SCC**	8/25/2014	CL14-0593 - defund FY 15/16	15,773	
11	~~Tran, Andy~~	Skilled Maintenance Worker	Deceased	**SCC**	1/24/2015	defund FY 15-16	27,447	
50%-fd 11 50%-fd 12	Unger, Leigh	Admissions/Records Technology Specialist	Resignation	**SCC**	4/3/2015	shift 50% from 11-0000-620000-29100-2130 to 12-2412-631000-29325-2130 (used that as reduction for FY 15-16)	4,857	
							2,135,730	
TOTAL							**2,990,126**	

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2014-2015 Expenditures	FY 2014-2015 Encumbrances	Cumulative Exp & Enc	Project Balance	% Spent
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3029	Parking Lot #11 Expansion and Improvements	11,079,553	7,906,461	2,362,143	286,101	10,554,705	524,848	95%
3031	Tessman Planetarium Upgrade and Restroom Addition	4,909,452	716,875	2,806,781	555,197	4,078,853	830,599	83%
3032	Dunlap Hall Renovation	1,566,050	1,205,329	-	105,060	1,310,389	255,661	84%
3036	Temporary Village	3,950,005	2,327,249	1,526,799	41,480	3,895,528	54,477	99%
3045	Chavez Hall Renovation	400,000	6,642	45,625	33,483	85,750	314,250	21%
3054	Johnson Relocation Temp Village	594,600	-	-	-	-	594,600	0%
	TOTAL SANTA ANA COLLEGE	**22,499,660**	**12,162,556**	**6,741,348**	**1,021,321**	**19,925,225**	**2,574,435**	**89%**
SANTIAGO CANYON COLLEGE								
3046	Orange Education Center Building Certification	5,000,000	244,517	-	1,984,922	2,229,439	2,770,561	45%
3672	SCC Building U Portables Certification	530,000	-	975	65,025	66,000	464,000	12%
	TOTAL SANTIAGO CANYON COLLEGE	**5,530,000**	**244,517**	**975**	**2,049,947**	**2,295,439**	**3,234,561**	**42%**
DISTRICT/ DISTRICTWIDE OPERATIONS								
3044	Project Closeout/Certification	916,566	143,437	54,092	61,003	258,532	658,034	28%
	TOTAL DISTRICT/DISTRICTWIDE	**916,566**	**143,437**	**54,092**	**61,003**	**258,532**	**658,034**	**28%**
	ACTIVE PROJECTS - ALL SITES	**28,946,226**	**12,550,510**	**6,796,415**	**3,132,271**	**22,479,196**	**6,467,030**	**78%**

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2014-2015 Expenditures	FY 2014-2015 Encumbrances	Cumulative Exp & Enc	Project Balance	% Spent
COMPLETED PROJECTS/PENDING CLOSEOUT								
SANTA ANA COLLEGE								
3001	Renovation of Buildings / Building "G" Renovation	9,826,032	9,302,490	-	8,072	9,310,562	515,470	95%
3002	SAC Library Renovation	339,623	339,623	-	-	339,623	-	100%
3003	Renovate Campus Infrastructure Design/Construct Maintenance/Operations Design/Construct Classroom Building	24,989,055	24,927,689	-	4,590	24,932,279	56,776	100%
3007	Child Care/Classroom-Centennial Renovate and Improve Centennial Ed Center	1,662,032	1,662,032	-	-	1,662,032	-	100%
3008	Renovate & Expand Athletic Fields	10,094,021	10,082,438	-	215	10,082,653	11,368	100%
3013	Acquisition of Land Adjacent to SAC	15,962,453	15,962,453	-	-	15,962,453	-	100%
3016	Design New Child Development Center Construct New Child Development Center	10,362,051	10,362,051	-	-	10,362,051	-	100%
3017	Design Women's Locker Room Construct Women's Locker Room Augment State-Funded PE Seismic Project	14,455,332	14,455,332	-	-	14,455,332	-	100%
3019	Design Sheriff Training Facility Construct Sheriff Training Facility Fire Science Program (Net 6 Facility) Fire Science Prog. @ MCAS, Inc. 2	29,121,885	29,121,885	-	-	29,121,885 -	-	100%
3020	Design/Construct Digital Media Center	14,000,656	14,000,656	-	-	14,000,656	-	100%
3028	Design & Construct Parking Structure	2,046,955	2,046,955	-	-	2,046,955	-	100%
3030	Perimeter Site Improvements	7,297,666	6,165,992	4,027	472,599	6,642,618	655,048	91%
3034	SAC Sheriff Training Academy Road	56,239	56,239	-	-	56,239	-	100%
3035	Johnson Center Renovation	51,800	49,300	-	-	49,300	2,500	95%
3038	Campus Lighting Upgrade	6,825	6,825	-	-	6,825	-	100%
3042	Central Plant (Design)	4,451	3,539	-	912	4,450	1	100%
3043	Property Acquisition 17th/Bristol	5,188,603	5,060,077	1,077	1,617	5,062,771	125,832	98%
	TOTAL SANTA ANA COLLEGE	**145,465,679**	**143,605,575**	**5,104**	**488,005**	**144,098,684**	**1,366,995**	**99%**
SANTIAGO CANYON COLLEGE								
3004	SCC Infrastructure	37,929,121	37,187,826	-	18,292	37,206,118	723,003	98%
3011	Land Acquisition	24,791,777	24,791,777	-	-	24,791,777	-	100%
3012	Acquire Prop & Construct Cont Ed	27,554,640	27,554,640	-	-	27,554,640	-	100%
3014	Construct New Library & Resource Center	4,375,350	4,375,350	-	-	4,375,350	-	100%
3021	Construct Student Services & Classroom Bldg	8,073,049	8,073,049	-	-	8,073,049	-	100%
3022	Humanities Building	32,781,753	32,361,137	120,936	80,911	32,562,984	218,769	99%
3025	Athletics and Aquatics Center: Netting and Sound System	20,454,610	19,849,746	101	220	19,850,067	604,543	97%
3026	Science and Math Building	26,450,934	26,415,964	-	-	26,415,964	34,970	100%
3027	Construct Additional Parking Facilities	1,047,212	1,047,212	-	-	1,047,212	-	100%
	TOTAL SANTIAGO CANYON COLLEGE	**183,458,446**	**181,656,700**	**121,037**	**99,423**	**181,877,160**	**1,581,286**	**99%**
DISTRICT/ DISTRICTWIDE OPERATIONS								
3009	Replace Aging Telephone & Computer Network	14,056,433	14,056,433	-	-	14,056,433	-	100%
3039	LED Lighting Upgrade	157,200	157,200	-	-	157,200	-	100%
	TOTAL DISTRICT/DISTRICTWIDE	**14,213,633**	**14,213,633**	**-**	**-**	**14,213,633**	**-**	**100%**
	COMPLETED PROJECTS - ALL SITES	**343,137,758**	**339,475,908**	**126,141**	**587,428**	**340,189,476**	**2,948,281**	**99%**
	RECAP:							
	Santa Ana College	167,965,339	155,768,131	6,746,452	1,509,326	164,023,909	3,941,430	**98%**
	Santiago Canyon College	188,988,446	181,901,217	122,012	2,149,370	184,172,599	4,815,847	**97%**
	District/Districtwide Operations	15,130,199	14,357,070	54,092	61,003	14,472,165	658,034	**96%**
	GRAND TOTAL - ALL SITES	**372,083,984**	**352,026,417**	**6,922,556**	**3,719,699**	**362,668,672**	**9,415,311**	**97%**

SOURCE OF FUNDS	
ORIGINAL Bond Proceeds	337,000,000
Refunding Proceeds	5,001,231
Interest Earned	30,603,712
Totals	**372,604,943**

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2014-2015 Expenditures	FY 2014-2015 Encumbrances	Cumulative Exp & Enc	Project Balance	% Spent
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3032	Dunlap Hall Renovation	17,218,585	-	7,390,785	9,246,814	16,637,599	580,986	97%
	Agency Cost							
	Professional Services			583,835	576,354			
	Construction Services			6,806,950	8,670,460			
	Furniture and Equipment							
3035	Johnson Student Center	28,498,138	-	52,727	2,409,841	2,462,568	26,035,570	9%
	Agency Cost			-	-			
	Professional Services			52,727	2,409,841			
	Construction Services			-	-			
	Furniture and Equipment			-	-			
3042	Central Plant Infrastructure	68,170,000	-	3,531,677	7,257,364	10,789,041	57,380,959	16%
	Agency Cost			260,218	3,657			
	Professional Services			3,271,459	7,253,707			
	Construction Services			-	-			
	Furniture and Equipment			-	-			
3043	17th & Bristol Street Parking Lot	1,650,000	-	109,452	33,888	143,340	1,506,660	9%
	Agency Cost			200	-			
	Professional Services			49,652	33,888			
	Construction Services			59,600	-			
	Furniture and Equipment			-	-			
3048	Health Science Center	19,518,564	-	-	117,988	117,988	19,400,576	1%
	Agency Cost			-	-			
	Professional Services			-	117,988			
	Construction Services			-	-			
	Furniture and Equipment			-	-			
3049	STEM Building	62,944,713	-	97,216	4,468,195	4,565,411	58,379,302	7%
	Agency Cost			-	-			
	Professional Services			97,216	4,468,195			
	Construction Services			-	-			
	Furniture and Equipment			-	-			
	TOTAL	**198,000,000**	**0**	**11,181,858**	**23,534,090**	**34,715,948**	**163,284,052**	**18%**
	ACTIVE PROJECTS	**198,000,000**	**0**	**11,181,858**	**23,534,090**	**34,715,948**	**163,284,052**	**18%**

SOURCE OF FUNDS

ORIGINAL Bond Proceeds	198,000,000
Totals	**198,000,000**

Rancho Santiago Community College
Unrestricted General Fund Cash Flow Summary
FY 2014-15, 2013-2014, 2012-2013 YTD-April 30, 2015

	FY 2014/2015											
	July	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**
Beginning Fund Balance	$27,674,517.62	$32,601,428.23	$29,339,609.11	$28,683,088.87	$21,911,028.48	$22,079,846.64	$37,545,540.46	$38,369,862.51	$31,066,295.70	$31,191,806.08	$39,660,380.17	$39,660,380.17
Total Revenues	12,347,417.16	7,989,510.40	12,117,283.32	7,274,969.96	13,596,920.03	27,461,672.62	13,197,669.00	5,864,309.81	12,974,135.42	20,664,808.16		
Total Expenditures	7,420,506.55	11,251,329.52	12,773,803.56	14,047,030.35	13,428,101.87	11,995,978.80	12,373,346.95	13,167,876.62	12,848,625.04	12,196,234.07		
Change in Fund Balance	4,926,910.61	(3,261,819.12)	(656,520.24)	(6,772,060.39)	168,818.16	15,465,693.82	824,322.05	(7,303,566.81)	125,510.38	8,468,574.09	0.00	0.00
Ending Fund Balance	$32,601,428.23	$29,339,609.11	$28,683,088.87	$21,911,028.48	$22,079,846.64	$37,545,540.46	$38,369,862.51	$31,066,295.70	$31,191,806.08	$39,660,380.17	$39,660,380.17	$39,660,380.17

	FY 2013/2014											
	July	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**
Beginning Fund Balance	$38,041,016.13	$41,887,699.97	$38,273,514.95	$38,688,688.15	$23,991,289.19	$19,495,673.39	$34,226,442.98	$34,753,317.06	$30,609,859.00	$24,741,131.75	$28,277,853.11	$19,262,978.98
Total Revenues	10,633,556.66	7,512,478.15	11,348,517.88	6,107,262.90	9,095,910.84	27,141,703.57	11,706,459.73	8,127,997.25	6,265,170.50	16,419,598.47	3,812,811.82	25,254,449.42
Total Expenditures	6,786,872.82	11,126,663.17	10,933,344.68	20,804,661.86	13,591,526.64	12,410,933.98	11,179,585.65	12,271,455.31	12,133,897.75	12,882,877.11	12,827,685.95	16,842,910.78
Change in Fund Balance	3,846,683.84	(3,614,185.02)	415,173.20	(14,697,398.96)	(4,495,615.80)	14,730,769.59	526,874.08	(4,143,458.06)	(5,868,727.25)	3,536,721.36	(9,014,874.13)	8,411,538.64
Ending Fund Balance	$41,887,699.97	$38,273,514.95	$38,688,688.15	$23,991,289.19	$19,495,673.39	$34,226,442.98	$34,753,317.06	$30,609,859.00	$24,741,131.75	$28,277,853.11	$19,262,978.98	$27,674,517.62

	FY 2012/2013 [1]											
	July	**August**	**September**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**
Beginning Fund Balance	$43,867,759.21	$45,064,223.43	$42,680,768.77	$34,999,185.38	$25,592,219.28	$26,110,634.15	$42,703,804.07	$37,375,292.75	$26,174,139.21	$15,079,007.51	$18,190,051.48	$9,508,085.73
Total Revenues	7,646,065.57	7,562,696.70	4,970,261.79	3,013,770.15	12,977,976.06	27,750,969.09	5,258,057.77	552,507.40	2,725,857.51	15,455,742.61	3,116,098.07	46,170,759.38
Total Expenditures	6,449,601.35	9,946,151.36	12,651,845.18	12,420,736.25	12,459,561.19	11,157,799.17	10,586,569.09	11,753,660.94	13,820,989.21	12,344,698.64	11,798,063.82	17,637,828.98
Change in Fund Balance	1,196,464.22	(2,383,454.66)	(7,681,583.39)	(9,406,966.10)	518,414.87	16,593,169.92	(5,328,511.32)	(11,201,153.54)	(11,095,131.70)	3,111,043.97	(8,681,965.75)	28,532,930.40
Ending Fund Balance	$45,064,223.43	$42,680,768.77	$34,999,185.38	$25,592,219.28	$26,110,634.15	$42,703,804.07	$37,375,292.75	$26,174,139.21	$15,079,007.51	$18,190,051.48	$9,508,085.73	$38,041,016.13

Notes:

[1] Beginning in FY 2012-13, Unrestricted General Funds were divided between two subfunds: Unrestricted Ongoing General Fund (11) and Unrestricted One-Time Funds (13)

CALIFORNIA COMMUNITY COLLEGES

REVISED GROWTH FUNDING MODEL

Mario Rodriguez, CCCCO
Bonnie Ann Dowd, San Diego CCD
Ann-Marie Gabel, Long Beach CCD
Jeff De Franco, Lake Tahoe CCD

California Community Colleges
Chancellor's Office

EXPIRED GROWTH REGULATION

- The California Community Colleges Growth Regulation has been expired since 2008-09.
- Between 2008-09 and 2011-12, the community colleges suffered budget cuts forcing them to drastically reduce course offerings.
- Growth funding received in the last few years has been used to repay the FTES "workload reductions" that occurred because of the state budget cuts.
- New Growth Regulation will replace current workload restoration process as of 2015-16.

LEGISLATIVE INTEREST IN ADDRESSING CCC GROWTH MODEL

- As the state's fiscal outlook improved, the legislature and state administration began a renewed focus on how the system should grow as new funding is available for the community college system.
- Interest in reshaping the system using a funding allocation model different from prior growth models with a focus on "unmet need" throughout the state.
- Primary focus is on how funding is allocated among the districts (i.e., resizing) rather than how districts and the system could grow over time based upon demand.

SB 860 EDUCATION TRAILER BILL – EC 84750.5

SB860 directed the Chancellor's Office to develop a revised growth formula and specified primary factors that must be included in the formula:

- The number of people within a district's boundaries who do not have a college degree.
- The number of people who are unemployed, have limited English skills, who are in poverty, or who exhibit other signs of being disadvantaged, as determined by the Chancellor, within a community college district's boundaries.

INITIAL GROWTH MODEL CREATED

Over the last year, the Advisory Workgroup on Fiscal Affairs and the Chancellor's Office worked with legislative staff, the Department of Finance, and the Legislative Analyst's Office to create a growth formula that meets the requirements of the statute while also working to address the system's actual demand for access.

The initial formula was presented during the ACBO fall conference and at the November Consultation Council meeting.

MODIFICATIONS TO THE INITIAL GROWTH MODEL NEEDED

There were many concerns from the field that the initial formula developed in response to the statute did not reflect the reality of enrollment trends across the state.

Over the last few months, the Chancellor’s Office worked with the Workgroup on Fiscal Affairs, legislative staff and the Department of Finance to negotiate modifications to the initial formula that mitigated the problems as best we could at this point in time.

This formula replaces the version that was presented during the ACBO fall conference and at the November Consultation Council meeting.

REVISED GROWTH MODEL NEED FACTORS

Three factors are used to determine district's need for access as a portion of the state total.

- Educational Attainment: District's percentage (as a portion of the statewide total) of individuals 25 years of age or older who do not have a bachelor's degree: percentage of adults with "some college" or less living within district boundaries. (Source: ESRI)
- Unemployment: District's percentage (as a portion of the state total) of unemployed individuals 16 years of age or older: percentage of unemployed adults living within district boundaries. (Source: ESRI)
- Households Below the Poverty Line: District's percentage (as a portion of the state total) of households below the poverty line (≈$25,000 annual income). (Source: ESRI)

REVISED GROWTH MODEL METHODOLOGY

1. Calculate districts "need for access" which represents the portion of the state the district should be serving based on need.

2. Compare districts need for access (calculated above) to their current access (the portion of the state they are currently serving). Identify districts that have a greater need for access than what they are currently serving.

3. Initial allocation- The model allocates 49.9% of the growth funding based on access (equal percentage for all districts) and 50.1% based on need (only those districts that have a need that is greater than their current access qualify for a portion of these funds). These two amounts are summed to determine the total amount of growth funding each district would qualify for.

REVISED GROWTH MODEL METHODOLOGY CONT.

4. Adjustment- The last part of the model adjusts each district's growth funding allocation (calculated in step 3) up or down based on whether or not they actually grew in the previous two fiscal years. The result is the total amount of growth funding for which a district is eligible in the upcoming year.

Under the revised model, districts are still eligible for a minimum growth rate of 1%.

There will continue to be a year-end settle up to reallocate funding from those districts that are not able to grow to districts that grow beyond their initial allocation.

TIMING

When can districts expect to receive their estimated growth allocations for the upcoming fiscal year?

The Chancellor's Office will provide an initial simulation after P1 using recal for the prior year, which districts can use to plan their course schedules for the upcoming year. At the Chancellor's Office Budget Workshop, districts will receive a revised growth rate which will be based on P2 data. These numbers are subject to change depending on the amount of funding provided for growth in the final budget.

DISTRICT PERSPECTIVE

- San Diego CCD
- Long Beach CCD

Questions?

California Community Colleges
Chancellor's Office

$266.7 million

Base Increase

NEED FOR DISCRETIONARY FUNDING

- Over the last year, the Chancellor’s office made it a priority to advocate for an increase in discretionary funding for the colleges. The 2015-16 May Revise proposal recognized the great need that exists by including an increase of $266.7 million in discretionary funding to address increases in operating costs.
- This increase is intended to ease the constrained discretionary funding environment colleges have experienced since the economic downturn when no COLAs were provided for consecutive years.
- These funds would also help colleges address the scheduled increases in STRS and PERS contribution rates, which will cost the colleges over $400 million annually when fully implemented in 2020-21.

INCREASE FOR RURAL DISTRICTS

- Increasing funding for rural districts is a big priority for Chancellor Harris since small/rural districts do not benefit as much from economies of scale as the medium and large districts.
- The Chancellor expressed support for an allocation model that would double the rural add-on, and use remaining funding to increase basic allocations and FTES rates for all districts. This methodology was presented at Consultation Council and at the NorCal CEO and SoCal CEO meetings and all were generally in support of providing an extra bump for the rural districts.

METHODOLOGY FOR ALLOCATING THE $266.7M

The $266.7M will provide an extra increase for rural districts by doubling the rural add-on (approximately $6 million). The remaining dollars will be allocated by increasing basic allocations and FTES rates by the same percentage (roughly 4.65%) for all districts.

In the future, the Workgroup on Fiscal Affairs will take another look at the rates for small, medium and large districts to ensure this funding methodology is not creating new inequities in the system.

Questions?

California Community Colleges
Chancellor's Office

California Community Colleges Growth Allocation Formula
Explanation of the Formula Methodology

Column C: 2013-14 Workload Increase: Includes districts funded growth, unfunded growth, and stability restoration for 2013-14

Column D: 2014-15 Workload Increase: Includes districts funded growth, unfunded growth, and stability restoration for 2014-15

Column E: 2015-16 Restoration Availability: The additional amount of stability restoration the district is eligible for in 2015-16.

Column G: Adults w/o College Attainment: Districts percentage (as a portion of the statewide total) of individuals 25 years of age or older who do not have a bachelor's degree: percentage of adults with "some college" or less living within district boundaries. (Source: ESRI)

Column H: Unemployed Adults: Districts percentage (as a portion of the state total) of unemployed individuals 16 years of age or older: percentage of unemployed adults living within district boundaries. (Source: ESRI)

Column I: Households Below the Poverty Line: Districts percentage (as a portion of the state total) of households below the poverty line (≈$25,000 annual income). (Source: ESRI)

Column J: Need for Access: Identifies the portion of the state that each district should be serving based on their need factors. Calculated as a weighted average of columns G, H and I, weights educational attainment at 50%, unemployment at 25% and poverty at 25%.

Column K: Current Access: District's percent of state's total workload revenue. Percentage of students in the state that the district is actually serving.

Column L: Difference: Difference between the district's need for access (column J) and the percentage of the state the district is currently serving (column K).

Column M: Only positive need: This column identifies districts that have a greater need for access (based on the need factors) than what they are currently serving (positive number in column L).

Column O: 49.9% on Access: 49.9% of the growth funding would be distributed proportionately based on districts current FTES, all districts would receive the same growth rate.

Column P: 50.1% Unmet Need: 50.1% of the growth funding would be distributed to those districts that have a greater need for access than the percentage they are currently serving (see Column M).

Column Q: Targeted Growth: The sum of Column O and Column P, which would be the total growth funding a district would be eligible for without any constraints and without any reality check of current or prior year growth.

Column R: Targeted Growth Rate: The year-over-year rate of growth calculated in Column Q.

Column T: Weighted Growth Rate: Weighted average of the growth rates in Column Q, Column D, and Column C, which also subtracts the amount of stability restoration entitled to the district in the upcoming fiscal year. Weights are 50% for Column Q, 25% for Column D, and 25% for Column C.

Column U: Minimum 1%: Calculates the growth funding that each district would need to receive to be at the 1% minimum.

Column V: Unconstrained Additional: The unconstrained additional amount above the 1% minimum each district has been allocated. This is the amount that each district would be eligible for above the 1% minimum if there was unlimited growth funding.

Column W: Constrained Additional: Column V constrained to the additional amount of growth funding as provided in the Budget Act. This is the amount that each district would be eligible for above the 1% minimum constrained based on the amount of growth funding provided in the budget act.

Column X: Constrained Targeted Growth: The sum of districts 1% minimum (column U) and the constrained additional growth funding (column W) they would be eligible for. This is the growth cap for each district.

Column Y: Constrained Targeted Growth Rate: The year-over-year rate of growth calculated in Column X.

Column Z: 2015-16 Restoration Availability: The additional amount of stability restoration the district is eligible for in 2015-16 expressed as a rate.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	District		2013-14 Workload Increase	2014-15 Workload Increase	2015-16 Restoration Availability		Adults w/o College Attainment	Unemployed Adults	Households Below the Poverty Line	Need for Access	Current Access	Difference	Only Positive Need		49.9% on Access	50.1% Unmet Need	Targeted Growth	Targeted Growth Rate		Weighted Growth Rate	Minimum 1%	Unconstrained Additional	Constrained Additional	Constrained Targeted Growth	Constrained Targeted Growth Rate	2015-16 Restoration Availability
2	Allan Hancock		952,922	1,402,457	-		0.66%	0.53%	0.53%	0.60%	0.84%	-0.24%	0.00%		649,147	-	649,147	1.50%		913,418	433,632	479,786	420,438	854,070	1.97%	0.00%
3	Antelope Valley		2,399,868	1,836,283	-		1.24%	1.16%	1.03%	1.17%	1.01%	0.16%	0.16%		784,046	678,318	1,462,364	2.79%		1,790,220	523,745	1,266,474	1,109,814	1,633,559	3.12%	0.00%
4	Barstow		968,892	729,516	-		0.17%	0.13%	0.23%	0.17%	0.21%	-0.04%	0.00%		164,555	-	164,555	1.50%		506,879	109,923	396,956	347,854	457,777	4.16%	0.00%
5	Butte		1,067,899	-	-		0.71%	0.78%	1.08%	0.82%	0.93%	-0.10%	0.00%		718,891	-	718,891	1.50%		626,420	480,221	146,199	128,115	608,336	1.27%	0.00%
6	Cabrillo		-	3,685,925	-		0.66%	0.53%	0.71%	0.64%	0.97%	-0.33%	0.00%		751,872	-	751,872	1.50%		1,297,417	502,252	795,165	696,805	1,199,057	2.39%	0.00%
7	Cerritos		3,709,234	4,789,221	-		1.27%	1.07%	0.85%	1.11%	1.53%	-0.42%	0.00%		1,187,865	-	1,187,865	1.50%		2,718,546	793,497	1,925,049	1,686,925	2,480,422	3.13%	0.00%
8	Chabot-Las Positas		1,497,099	1,894,578	-		1.67%	1.67%	1.13%	1.54%	1.51%	0.03%	0.03%		1,167,786	134,128	1,301,914	1.67%		1,498,876	780,084	718,792	629,879	1,409,963	1.81%	0.00%
9	Chaffey		9,449,649	2,607,277	-		2.38%	2.86%	1.40%	2.25%	1.29%	0.96%	0.96%		1,002,628	4,148,512	5,151,140	7.69%		5,589,801	669,758	4,920,043	4,311,445	4,981,203	7.44%	0.00%
10	Citrus		3,131,605	3,331,801	-		0.56%	0.48%	0.46%	0.51%	1.02%	-0.50%	0.00%		788,815	-	788,815	1.50%		2,010,259	526,930	1,483,329	1,299,844	1,826,774	3.47%	0.00%
11	Coast		11,678,714	158,872	-		1.65%	1.61%	1.38%	1.57%	2.91%	-1.34%	0.00%		2,259,743	-	2,259,743	1.50%		4,089,268	1,509,514	2,579,754	2,260,644	3,770,158	2.50%	0.00%
12	Compton		268,578	-	-		0.87%	0.83%	0.68%	0.81%	0.52%	0.29%	0.29%		405,839	1,239,279	1,645,118	6.07%		889,703	271,101	618,602	542,082	813,184	3.00%	0.00%
13	Contra Costa		12,556,655	-	-		2.52%	2.71%	2.09%	2.46%	2.54%	-0.08%	0.00%		1,965,968	-	1,965,968	1.50%		4,122,148	1,313,272	2,808,876	2,461,424	3,774,696	2.87%	0.00%
14	Copper Mt.		-	-	470,721		0.19%	0.18%	0.32%	0.22%	0.13%	0.09%	0.09%		100,194	387,891	488,084	7.29%		-	66,930	-	-	66,930	1.00%	7.03%
15	Desert		1,850,375	-	-		1.37%	1.37%	1.60%	1.43%	0.63%	0.79%	0.79%		490,233	3,435,138	3,925,371	11.99%		2,425,279	327,477	2,097,802	1,838,309	2,165,786	6.61%	0.00%
16	El Camino		1,448,884	3,207,964	-		1.48%	1.29%	1.54%	1.45%	1.72%	-0.27%	0.00%		1,329,769	-	1,329,769	1.50%		1,829,097	888,289	940,807	824,431	1,712,721	1.93%	0.00%
17	Feather River		416,007	266,716	161,859		0.06%	0.05%	0.10%	0.07%	0.14%	-0.07%	0.00%		109,090	-	109,090	1.50%		63,367	72,873	-	-	72,873	1.00%	2.22%
18	Foothill-Deanza		-	-	9,497,353		0.51%	0.70%	0.73%	0.61%	2.41%	-1.80%	0.00%		1,869,181	-	1,869,181	1.50%		-	1,248,618	-	-	1,248,618	1.00%	7.61%
19	Gavilan		743,389	790,541	-		0.47%	0.45%	0.30%	0.43%	0.46%	-0.03%	0.00%		355,520	-	355,520	1.50%		561,242	237,488	323,754	283,706	521,195	2.19%	0.00%
20	Glendale		1,404,728	-	-		0.54%	0.53%	0.74%	0.59%	1.25%	-0.66%	0.00%		966,864	-	966,864	1.50%		834,614	645,868	188,746	165,399	811,267	1.26%	0.00%
21	Grossmont-Cuyamaca		4,742,460	3,410,949	-		1.40%	1.30%	1.29%	1.35%	1.63%	-0.28%	0.00%		1,260,846	-	1,260,846	1.50%		2,668,776	842,249	1,826,527	1,600,589	2,442,838	2.90%	0.00%
22	Hartnell		1,339,202	1,938,294	-		0.87%	0.69%	0.59%	0.75%	0.63%	0.12%	0.12%		489,665	531,978	1,021,642	3.12%		1,330,195	327,097	1,003,098	879,017	1,206,114	3.69%	0.00%
23	Imperial		2,662,099	1,140,637	-		0.55%	0.73%	0.61%	0.61%	0.61%	0.00%	0.00%		475,736	-	475,736	1.50%		1,188,552	317,793	870,759	763,048	1,080,841	3.40%	0.00%
24	Kern		2,879,662	1,083,367	-		2.87%	2.95%	2.98%	2.92%	1.72%	1.20%	1.20%		1,329,602	5,197,018	6,526,620	7.35%		4,254,067	888,178	3,365,890	2,949,537	3,837,714	4.32%	0.00%
25	Lake Tahoe		921,911	449,290	607,474		0.10%	0.07%	0.13%	0.10%	0.16%	-0.06%	0.00%		123,262	-	123,262	1.50%		-	82,339	-	-	82,339	1.00%	7.38%
26	Lassen		-	1,372,751	676,607		0.12%	0.05%	0.10%	0.10%	0.15%	-0.06%	0.00%		118,947	-	118,947	1.50%		-	79,457	-	-	79,457	1.00%	8.52%
27	Long Beach		1,751,999	1,641,460	-		1.36%	1.49%	1.68%	1.47%	1.81%	-0.34%	0.00%		1,400,737	-	1,400,737	1.50%		1,548,733	935,696	613,037	537,206	1,472,902	1.57%	0.00%
28	Los Angeles		19,309,526	29,531,429	-		14.84%	14.47%	18.35%	15.63%	9.20%	6.43%	6.43%		7,133,315	27,766,087	34,899,401	7.32%		29,659,939	4,765,073	24,894,866	21,815,426	26,580,499	5.58%	0.00%
29	Los Rios		6,110,791	9,456,682	-		4.15%	4.73%	4.77%	4.45%	4.66%	-0.21%	0.00%		3,613,734	-	3,613,734	1.50%		5,698,736	2,413,984	3,284,751	2,878,435	5,292,419	2.19%	0.00%
30	Marin		-	-	4,633,749		0.47%	0.44%	0.56%	0.49%	0.39%	0.09%	0.09%		304,300	406,580	710,880	3.50%		-	203,273	-	-	203,273	1.00%	22.80%
31	Mendocino-Lake		-	1,476,403	1,956,233		0.30%	0.30%	0.43%	0.33%	0.24%	0.10%	0.10%		182,714	423,913	606,627	4.97%		-	122,053	-	-	122,053	1.00%	16.03%
32	Merced		757,469	1,756,294	-		0.81%	0.95%	0.84%	0.85%	0.85%	0.00%	0.00%		657,112	19,094	676,206	1.54%		966,544	438,953	527,591	462,329	901,282	2.05%	0.00%
33	Miracosta		1,382,182	709,632	-		0.73%	0.82%	0.79%	0.77%	0.93%	-0.16%	0.00%		719,920	-	719,920	1.50%		882,913	480,908	402,005	352,278	833,186	1.73%	0.00%
34	Monterey Peninsula		-	-	2,570,039		0.29%	0.22%	0.35%	0.28%	0.57%	-0.28%	0.00%		439,600	-	439,600	1.50%		-	293,654	-	-	293,654	1.00%	8.75%
35	Mt. San Antonio		6,566,031	10,113,868	-		2.22%	1.93%	1.34%	1.93%	2.54%	-0.62%	0.00%		1,971,771	-	1,971,771	1.50%		5,155,861	1,317,149	3,838,712	3,363,872	4,681,020	3.55%	0.00%
36	Mt. San Jacinto		3,305,913	3,987,203	-		2.44%	2.74%	2.20%	2.45%	0.93%	1.52%	1.52%		723,701	6,574,902	7,298,603	15.10%		5,472,580	483,434	4,989,146	4,372,000	4,855,434	10.04%	0.00%
37	Napa Valley		-	806,060	-		0.37%	0.26%	0.31%	0.33%	0.49%	-0.16%	0.00%		378,789	-	378,789	1.50%		390,909	253,032	137,878	120,822	373,854	1.48%	0.00%
38	North Orange County		15,161,622	16,850,891	-		2.49%	2.36%	1.73%	2.27%	2.93%	-0.66%	0.00%		2,270,592	-	2,270,592	1.50%		9,138,424	1,516,761	7,621,663	6,678,880	8,195,641	5.40%	0.00%
39	Ohlone		568,473	822,079	-		0.55%	0.52%	0.31%	0.48%	0.72%	-0.24%	0.00%		559,769	-	559,769	1.50%		627,522	373,927	253,595	222,226	596,153	1.59%	0.00%
40	Palo Verde		-	1,661,405	114,217		0.12%	0.09%	0.15%	0.12%	0.16%	-0.04%	0.00%		121,071	-	121,071	1.50%		361,670	80,876	280,794	246,060	326,936	4.04%	1.41%
41	Palomar		1,261,591	2,450,554	-		1.86%	1.67%	1.50%	1.72%	1.71%	0.02%	0.02%		1,321,801	68,307	1,390,108	1.57%		1,623,090	882,967	740,124	648,572	1,531,539	1.73%	0.00%
42	Pasadena Area		930,839	7,159,822	-		0.88%	0.85%	1.01%	0.91%	1.98%	-1.07%	0.00%		1,532,378	-	1,532,378	1.50%		2,788,854	1,023,632	1,765,222	1,546,868	2,570,500	2.51%	0.00%
43	Peralta		2,186,788	3,339,665	-		1.36%	1.60%	2.55%	1.72%	1.73%	-0.01%	0.00%		1,342,775	-	1,342,775	1.50%		2,053,001	896,978	1,156,023	1,013,026	1,910,003	2.13%	0.00%
44	Rancho Santiago		2,438,824	2,140,388	-		1.71%	1.56%	0.96%	1.49%	2.44%	-0.95%	0.00%		1,890,677	-	1,890,677	1.50%		2,090,141	1,262,977	827,164	724,846	1,987,823	1.57%	0.00%
45	Redwoods		-	906,732	3,962,878		0.56%	0.45%	0.98%	0.64%	0.35%	0.28%	0.28%		275,126	1,221,888	1,497,013	8.15%		-	183,785	-	-	183,785	1.00%	21.56%
46	Rio Hondo		1,349,080	-	-		1.31%	0.98%	0.81%	1.10%	1.11%	-0.01%	0.00%		861,000	-	861,000	1.50%		767,770	575,150	192,620	168,793	743,944	1.29%	0.00%
47	Riverside		5,727,943	10,418,490	-		2.74%	3.28%	1.85%	2.65%	2.42%	0.23%	0.23%		1,877,703	996,748	2,874,451	2.29%		5,473,834	1,254,311	4,219,523	3,697,577	4,951,888	3.95%	0.00%
48	San Bernardino		5,315,204	5,381,103	-		2.04%	2.34%	2.05%	2.12%	1.28%	0.84%	0.84%		989,937	3,644,453	4,634,390	7.01%		4,991,272	661,281	4,329,991	3,794,381	4,455,661	6.74%	0.00%
49	San Diego		10,659,427	8,866,262	-		2.35%	2.49%	3.40%	2.65%	3.52%	-0.88%	0.00%		2,731,400	-	2,731,400	1.50%		6,247,122	1,824,582	4,422,540	3,875,481	5,700,064	3.12%	0.00%
50	San Francisco		-	-	6,203,562		1.81%	1.90%	2.80%	2.08%	1.93%	0.15%	0.15%		1,498,790	642,376	2,141,166	2.14%		-	1,001,196	-	-	1,001,196	1.00%	6.20%
51	San Joaquin Delta		1,030,509	1,868,641	-		2.24%	2.53%	2.07%	2.27%	1.41%	0.85%	0.85%		1,096,553	3,690,924	4,787,477	6.54%		3,118,526	732,500	2,386,025	2,090,879	2,823,380	3.85%	0.00%
52	San Jose-Evergreen		-	-	3,985,354		2.15%	2.11%	1.48%	1.97%	1.11%	0.86%	0.86%		859,102	3,732,271	4,591,373	8.00%		-	573,883	-	-	573,883	1.00%	6.94%
53	San Luis Obispo		1,949,188	-	1,244,145		0.71%	0.52%	0.87%	0.70%	0.63%	0.07%	0.07%		491,208	288,235	779,443	2.38%		-	328,128	-	-	328,128	1.00%	3.79%
54	San Mateo		-	-	6,784,046		1.63%	1.55%	1.24%	1.52%	1.58%	-0.06%	0.00%		1,222,988	-	1,222,988	1.50%		-	816,959	-	-	816,959	1.00%	8.30%
55	Santa Barbara		-	4,373,326	-		0.40%	0.42%	0.55%	0.44%	1.27%	-0.83%	0.00%		988,388	-	988,388	1.50%		1,587,526	660,246	927,280	812,577	1,472,823	2.23%	0.00%
56	Santa Clarita		2,867,281	3,504,852	-		0.63%	0.65%	0.34%	0.56%	1.35%	-0.79%	0.00%		1,045,070	-	1,045,070	1.50%		2,115,568	698,110	1,417,459	1,242,122	1,940,232	2.78%	0.00%
57	Santa Monica		3,262,077	4,625,395	-		0.17%	0.27%	0.45%	0.26%	1.99%	-1.73%	0.00%		1,545,046	-	1,545,046	1.50%		2,744,391	1,032,095	1,712,296	1,500,489	2,532,584	2.45%	0.00%
58	Sequoias		4,265,007	1,507,394	-		1.19%	1.24%	1.14%	1.19%	0.79%	0.40%	0.40%		613,125	1,734,044	2,347,169	5.73%		2,616,685	409,569	2,207,115	1,934,100	2,343,669	5.72%	0.00%

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
1	District		2013-14 Workload Increase	2014-15 Workload Increase	2015-16 Restoration Availability		Adults w/o College Attainment	Unemployed Adults	Households Below the Poverty Line	Need for Access	Current Access	Difference	Only Positive Need		49.9% on Access	50.1% Unmet Need	Targeted Growth	Targeted Growth Rate		Weighted Growth Rate	Minimum 1%	Unconstrained Additional	Constrained Additional	Constrained Targeted Growth	Constrained Targeted Growth Rate	2015-16 Restoration Availability
59	Shasta-Tehama-Trinity		-	2,292,171	1,526,018		0.82%	0.61%	1.13%	0.85%	0.62%	0.23%	0.23%		477,016	992,806	1,469,822	4.61%		-	318,648	-	-	318,648	1.00%	4.79%
60	Sierra		-	6,810,786	-		1.28%	0.94%	1.17%	1.16%	1.32%	-0.15%	0.00%		1,020,065	-	1,020,065	1.50%		2,212,729	681,406	1,531,323	1,341,902	2,023,308	2.97%	0.00%
61	Siskiyou		-	317,950	799,436		0.14%	0.11%	0.28%	0.17%	0.20%	-0.03%	0.00%		156,281	-	156,281	1.50%		-	104,396	-	-	104,396	1.00%	7.66%
62	Solano		5,624,551	-	1,506,067		1.19%	1.05%	0.86%	1.07%	0.64%	0.44%	0.44%		492,898	1,881,448	2,374,345	7.21%		1,087,243	329,257	757,986	664,225	993,482	3.02%	4.57%
63	Sonoma		5,994,251	-	-		1.31%	1.01%	1.32%	1.24%	1.59%	-0.36%	0.00%		1,235,053	-	1,235,053	1.50%		2,116,089	825,018	1,291,071	1,131,368	1,956,386	2.37%	0.00%
64	South Orange		-	14,421,919	1,888,676		1.68%	1.83%	1.44%	1.66%	2.50%	-0.85%	0.00%		1,941,365	-	1,941,365	1.50%		2,687,486	1,296,837	1,390,649	1,218,629	2,515,466	1.94%	1.46%
65	Southwestern		1,092,915	2,090,521	-		1.34%	1.26%	1.15%	1.27%	1.37%	-0.10%	0.00%		1,065,271	-	1,065,271	1.50%		1,328,494	711,604	616,890	540,582	1,252,186	1.76%	0.00%
66	State Center		3,380,612	8,731,002	-		2.98%	3.11%	3.28%	3.09%	2.45%	0.63%	0.63%		1,901,032	2,739,801	4,640,834	3.65%		5,348,320	1,269,895	4,078,426	3,573,933	4,843,828	3.81%	0.00%
67	Ventura		2,074,079	5,622,390	-		2.16%	1.86%	1.48%	1.92%	2.36%	-0.44%	0.00%		1,828,446	-	1,828,446	1.50%		2,838,340	1,221,407	1,616,933	1,416,922	2,638,329	2.16%	0.00%
68	Victor Valley		1,675,025	515,696	-		1.21%	1.49%	1.13%	1.26%	0.83%	0.42%	0.42%		645,959	1,836,496	2,482,455	5.75%		1,788,908	431,502	1,357,405	1,189,497	1,621,000	3.76%	0.00%
69	West Hills		1,871,960	904,667	-		0.37%	0.30%	0.32%	0.34%	0.44%	-0.10%	0.00%		343,988	-	343,988	1.50%		866,151	229,785	636,366	557,649	787,434	3.43%	0.00%
70	West Kern		57,243	45,538	-		0.08%	0.06%	0.08%	0.07%	0.31%	-0.23%	0.00%		238,875	-	238,875	1.50%		145,133	159,569	-	-	159,569	1.00%	0.00%
71	West Valley-Mission		-	21,769	8,410,002		0.81%	0.88%	0.85%	0.84%	1.26%	-0.43%	0.00%		978,772	-	978,772	1.50%		-	653,822	-	-	653,822	1.00%	12.86%
72	Yosemite		1,784,261	151,985	-		1.95%	2.08%	1.98%	1.99%	1.48%	0.51%	0.51%		1,145,537	2,224,084	3,369,621	4.40%		2,168,872	765,222	1,403,650	1,230,022	1,995,243	2.61%	0.00%
73	Yuba		-	4,383,741	-		0.92%	0.95%	1.04%	0.96%	0.68%	0.28%	0.28%		525,717	1,196,526	1,722,243	4.90%		1,957,057	351,180	1,605,876	1,407,233	1,758,413	5.01%	0.00%
74	Total		187,802,496	215,762,603	56,998,436		100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	18.01%		77,522,529	77,833,241	155,355,770			163,874,579	51,785,257	118,190,406	103,570,513	155,355,770	3.00%	1.10%
75			25.00%	25.00%			50.00%	25.00%	25.00%						1.50%	1.50%	50.00%									
76															3.00%											

California Comunity Colleges Chancollor's Office
2015-16 Apportionment Growth Rates (Estimate at P1)

District	2.5% Growth	2.75% Growth	3% Growth
Allan Hancock	1.71%	1.84%	1.97%
Antelope Valley	2.59%	2.86%	3.12%
Barstow	3.54%	3.86%	4.16%
Butte	1.13%	1.20%	1.27%
Cabrillo	2.06%	2.23%	2.39%
Cerritos	2.68%	2.90%	3.13%
Chabot-Las Positas	1.57%	1.69%	1.81%
Chaffey	5.88%	6.66%	7.44%
Citrus	2.96%	3.22%	3.47%
Coast	2.15%	2.33%	2.50%
Compton	2.29%	2.64%	3.00%
Contra Costa	2.47%	2.67%	2.87%
Copper Mt.	1.00%	1.00%	1.00%
Desert	4.94%	5.76%	6.61%
El Camino	1.68%	1.80%	1.93%
Feather River	1.00%	1.00%	1.00%
Foothill-Deanza	1.00%	1.00%	1.00%
Gavilan	1.90%	2.05%	2.19%
Glendale	1.12%	1.19%	1.26%
Grossmont-Cuyamaca	2.49%	2.70%	2.90%
Hartnell	3.04%	3.37%	3.69%
Imperial	2.90%	3.16%	3.40%
Kern	3.31%	3.81%	4.32%
Lake Tahoe	1.00%	1.00%	1.00%
Lassen	1.00%	1.00%	1.00%
Long Beach	1.39%	1.48%	1.57%
Los Angeles	4.36%	4.96%	5.58%
Los Rios	1.90%	2.05%	2.19%
Marin	1.00%	1.00%	1.00%
Mendocino-Lake	1.00%	1.00%	1.00%
Merced	1.78%	1.92%	2.05%
Miracosta	1.52%	1.62%	1.73%
Monterey Peninsula	1.00%	1.00%	1.00%
Mt. San Antonio	3.03%	3.30%	3.55%
Mt. San Jacinto	7.60%	8.81%	10.04%
Napa Valley	1.31%	1.39%	1.48%
North Orange County	4.57%	5.00%	5.40%
Ohlone	1.40%	1.50%	1.59%
Palo Verde	3.44%	3.75%	4.04%
Palomar	1.51%	1.62%	1.73%
Pasadena Area	2.16%	2.34%	2.51%
Peralta	1.85%	1.99%	2.13%
Rancho Santiago	1.39%	1.48%	1.57%
Redwoods	1.00%	1.00%	1.00%
Rio Hondo	1.15%	1.22%	1.29%
Riverside	3.31%	3.63%	3.95%

California Comunity Colleges Chancollor's Office
2015-16 Apportionment Growth Rates (Estimate at P1)

District	2.5% Growth	2.75% Growth	3% Growth
San Bernardino	5.34%	6.04%	6.74%
San Diego	2.67%	2.90%	3.12%
San Francisco	1.00%	1.00%	1.00%
San Joaquin Delta	2.97%	3.41%	3.85%
San Jose-Evergreen	1.00%	1.00%	1.00%
San Luis Obispo	1.00%	1.00%	1.00%
San Mateo	1.00%	1.00%	1.00%
Santa Barbara	1.93%	2.08%	2.23%
Santa Clarita	2.39%	2.59%	2.78%
Santa Monica	2.12%	2.29%	2.45%
Sequoias	4.58%	5.15%	5.72%
Shasta-Tehama-Trinity	1.00%	1.00%	1.00%
Sierra	2.55%	2.76%	2.97%
Siskiyou	1.00%	1.00%	1.00%
Solano	2.24%	2.61%	3.02%
Sonoma	2.05%	2.21%	2.37%
South Orange	1.69%	1.81%	1.94%
Southwestern	1.54%	1.65%	1.76%
State Center	3.12%	3.47%	3.81%
Ventura	1.87%	2.02%	2.16%
Victor Valley	2.94%	3.34%	3.76%
West Hills	2.93%	3.18%	3.43%
West Kern	1.00%	1.00%	1.00%
West Valley-Mission	1.00%	1.00%	1.00%
Yosemite	2.07%	2.33%	2.61%
Yuba	4.03%	4.52%	5.01%
Total	**2.50%**	**2.75%**	**3.00%**

Long Beach Breakdown by Column

Column C = 2013-14 Growth at Recalc	1,751,999

Column D = 2014-15 Growth at P-1 in April	1,641,460

Column G - Adults w/o College Attainment	
Long Beach Counts	201,066
Statewide Counts	14,807,512
Long Beach Percentage	**1.36%**

Column H - Unemployed Adults	
Long Beach Counts	23,114
Statewide Counts	1,553,872
Long Beach Percentage	**1.49%**

Column I - Households below Poverty	
Long Beach Counts	43,961
Statewide Counts	2,615,894
Long Beach Percentage	**1.68%**

Column J - Need for Access	
Adults w/o College Attainment at 50%	0.68%
Unemployed Adults at 25%	0.37%
Households below Poverty Line at 25%	0.42%
Long Beach Percentage	**1.47%**

Column K - Current Access	Long Beach	State
2014-15 Base Revenue from P-1	91,928,125	5,070,364,554
2014-15 Decline	-	(71,983,565)
2014-15 Restoration	-	39,759,671
2014-15 Growth	1,641,460	140,385,000
Total Current Access	93,569,585	5,178,525,660
Long Beach Percentage	**1.81%**	

Column L - Difference	
Need for Access	1.47%
Current Access	1.81%
Long Beach Total	**-0.34%**

Column O - 49.9% on Access	
Current Access Total	93,569,585
Statewide Growth % (assume 3%) times .499	1.4970%
Long Beach Total	**1,400,737**

Column P - 50.1% Unmet Need	
Only Positive Need from Column M if L is >0	0
Divided by Total Positve Need (Line M74)	0
Times Total Unmet Need (Line P74)	0

Total of Unmet Need Dollar Amount = Statewide Growth % (assume 3%) times .511 or **1.503%**

Column Q - Targeted Growth	
49.9% Access plus	1,400,737
50.1 Unmet Need	0
Long Beach Total	**1,400,737**

Column R - Targeted Growth Rate	
Targeted Growth Amount (Column Q)	1,400,737
Divided by: Current Access Amount	93,569,585
Long Beach Total	**1.50%**

Column T - Targeted Growth Rate		
2013-14 Growth Amount	1,751,999	
Weighted Measure = 25%	0.25	
		438,000
2014-15 Growth Amount	1,641,460	
Weighted Measure = 25%	0.25	
		410,365
Targeted Growth (Column Q)	1,400,737	
Weighted Measure = 50%	0.50	
		700,368
Less: Restoration		0
Long Beach Total		**1,548,733**

Column U - Minimum 1%	
Current Access Dollar Amount	93,569,585
Times 1%	0.01
Long Beach Total	**935,696**

Column V - Unconstrained Additional	
Weighted Growth Rate (Column T)	1,548,733
Less: Minimum 1% Amount (Column U)	(935,696)
Long Beach Total	**613,037**

Column W - Constrained Additional		
Unconstrained Amount (Column V)	613,037	
Divided by: Total Unconstrained Amount (V74)	118,190,406	
Times		0.00518686
Total Targeted Growth (Q74)	155,355,770	
Less: Minimum Growth Total (U74)	(51,785,257)	
		103,570,513
Long Beach Total		**537,206**

Column X - Constrained Targeted Growth	
Minimum 1% Amount (Column U)	935,696
Plus: Constrained Additional Amount (Column W)	537,206
Long Beach Total	**1,472,902**

Column Y - Constrained Target Growth Rate	
Constrained Targeted Growth Amount (Column X)	1,472,902
Divided By: Current Access Amount	93,569,585
Long Beach Total	**1.57%**

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2323 N. Broadway, Santa Ana, California 92706
Office: (714) 480-7321
Website: http://rsccd.edu/Departments/Business-Operations/Pages/Fiscal-Resources-Committee.aspx

Fiscal Resources Committee

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

Meeting Minutes for March 25, 2015

FRC Members Present: Michael Collins, Ray Hicks, John Zarske, Arleen Satele, Raul Gonzalez del Rio, Peter Hardash, Adam O'Connor, Lee Krichmar and Diane Hill

Alternates/Guests Present: Jim Kennedy, Jose Vargas, Richard Kudlik and Esmeralda Abejar

1. Welcome, the meeting was called to order by Mr. Hardash at 1:35 p.m.

2. State/District Budget Update – Mr. Hardash reviewed the following:
   - The LAO 2015-16 budget analysis was released, the formula is not good. There are four factors in the new growth funding formula: poverty, degree completion, unemployment and underserved areas. Three years of unfunded FTES was in then removed by Department of Finance.
   - Chancellor's Office formula has two elements: districts the size of RSCCD will never see more growth than 1%. Small districts will have growth rates of 7-8%.
   - More details on the formula in the report to the CEO's.
   - One time money: $351 million is mandated costs could grow to $500 million, however, free and clear money is what is needed, most likely will come with strings attached. Talk from Legislators and Finance is to use the funds for capital projects since there hasn't been a statewide bond. The need is for unrestricted funds for normal operating costs increase and the increase in PERS and STRS.
   - The budget assumes that total revenue shifted in 2014-15 is $824 million. Results in schools receiving an additional $125 million. Some of the $125 million is to help districts who haven't made progress on their FON
   - Tons of money may come in the May Revise but most will be restricted.
   - Request from the Board of Trustees, what is the big number (deficit) is broken down by cost center. Mid-year, looks like we will deficit spend by $5.8 million. Next year, the deficit will be $8 - $12 million which will zero out the budget stabilization fund.
   - Local budget reserves must be used prior to use of more stabilization fund per the Budget Allocation Model.

3. Review of Cash Flow Summary:
   Mr. O'Connor distributed the General Revenue Cycle and Anomalies to Revenue and Expenditures for FY 13-14 & FY 14-15 as February 28, 2015. This document details, by month, the activities of revenue and expenditures, the change in fund balance from month to month and ending fund balance by month. This exercise is similar to a personal checking account, done on a cash basis. Once the stabilization fund is gone, there will be cash flow issues in some months.

4. Budget Allocation Model (BAM) Review:
   Mr. O'Connor reviewed the suggested changes, discussed at the previous FRC meeting, to the Budget Allocation Model. Lengthy discussion ensued on various items: budget center reserves and savings, district-wide services, District Services vs Institutional Costs and position

vacancies. The next draft with suggested changes will be placed on the agenda (April) for discussion.

5. Committee Calendar:
   Mr. O'Connor reviewed the Fiscal Resources Committee Planning Calendar.
   - It was discussed that the Planning manual needs to be updated as FRC does not submit targets, the colleges do.
   - Assesses effective use of financial resources, a review of district services was discussed.
   - Add to calendar in January: document the review of the audit.
   - This calendar will be regularly updated and posted on the website.

6. Informational Handouts were distributed as information.
   Mr. Hardash reviewed the following handouts, it has been mentioned at Board meetings and through Board members that employees are not seeing or receiving information documents. Each voting member on this committee is to take back and share information with the constituent groups they represent. This information is also available on the District website.
   - District-wide expenditure report link: https://intranet.rsccd.edu
   - Vacant Funded Position List as of March 18, 2015
   - Measure "E" Project Cost Summary as of February 23, 2015
   - Measure "Q" Project Cost Summary as of February 23, 2015
   - Monthly Cash Flow Statement as of February 28, 2015

7. Approval of FRC Minutes – February 25, 2015: Meeting Minutes for the February 25, 2015 meeting were distributed for review. Mr. Hardash asked for a motion to approve, it was motioned by Mr. O'Connor, seconded by Mr. Collins and passed unanimously by the committee.

Adjournment
Mr. Hardash adjourned the meeting at 3:00 p.m.

Meeting Schedule – Next Meeting:
Next regular meeting: Wednesday, April 22, 2015 – 1:30 p.m. – Executive Conference Room, DO.