RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: Fiscal Resources Committee

Agenda for April 20, 2022
1:30 p.m. - 3:00 p.m.
Zoom Meeting

1. Welcome

2. State/District Budget Update – Ingram
   - DOF – Finance Bulletin – March 2022
   - SSC – President Biden Signs the Fiscal Year 2022 Budget
   - SSC – Top Legislative Issues – March 18, 2022
   - SSC – A Robust Economy Isn't Always a Good Thing
   - SSC – Top Legislative Issues-April 1, 2022
   - SSC – Inverted Yield Curve Signals Looming Economic Downturn
   - SSC – Assembly Discusses 2022-23 State Budget Proposals for California Community Colleges
   - SSC – Second Quarterly Lottery Apportionment for 2021-22
   - SSC – CalPERS Set to Adopt 2022-23 Employer Contribution Rate
   - SSC – LAO Offers Assessment of Student Housing Grant

3. 2022/23 Proposed Meeting Schedule **- ACTION**

4. BAM Review Taskforce Recommendations **- ACTION**

5. Standing Report from District Council - Craig Rutan

6. Informational Handouts
   - District-wide expenditure report link: https://intranet.rsccd.edu
   - Vacant Funded Position List as of April 11, 2022
   - Measure "Q" Project Cost Summary as of March 31, 2022
   - Monthly Cash Flow Summary as of March 31, 2022
   - SAC Planning and Budget Committee Agendas and Minutes
   - SCC Budget Committee Agendas and Minutes
   - Districtwide Enrollment Management Workgroup Minutes

7. Approval of FRC Minutes – February 16, 2022

8. Other

Next FRC Committee Meeting: Thursday, May 19, 2022, 1:30-3:00 pm

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

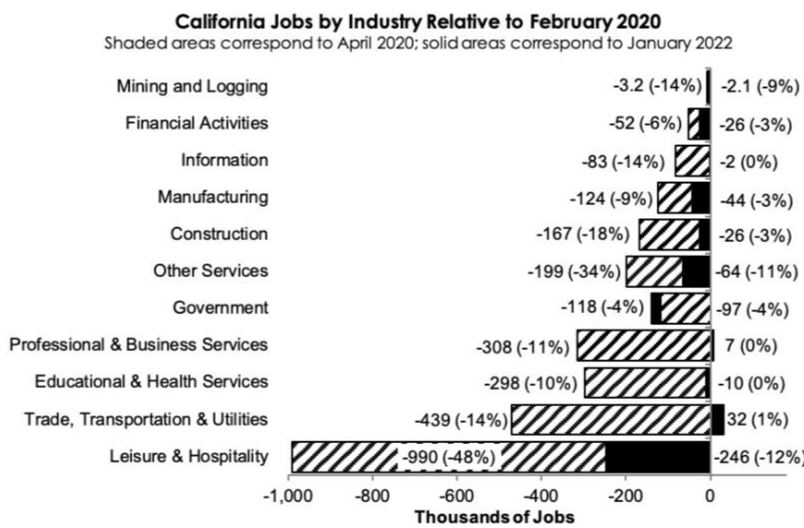
California Department of Finance
March 2022
Finance Bulletin
Keely Bosler, Director

Economic Update

U.S. headline inflation accelerated from 7.5 percent year-over-year in January 2022 to 7.9 percent in February 2022, its highest rate since January 1982. Los Angeles headline inflation slowed slightly to 7.4 percent in February from 7.5 percent in January, which was the highest rate since June 1982. San Francisco headline inflation was 5.2 percent in February, its highest officially recorded rate since June 2001, following 4.2 percent in December 2021. Elevated inflation continued to be broad-based across all major categories, with notable increases in energy, food, and shelter prices.

LABOR MARKET CONDITIONS

- In February 2022, the U.S. unemployment rate fell 0.2 percentage point to 3.8 percent as civilian unemployment decreased by 243,000 and 548,000 more people were employed. The U.S. added 678,000 nonfarm jobs with ten sectors gaining jobs: leisure and hospitality (179,000), educational and health services (112,000), trade, transportation, and utilities (103,000), professional and business services (95,000), construction (60,000), manufacturing (36,000), financial activities (35,000), other services (25,000), government (24,000), and mining and logging (9,000). Information jobs remained unchanged. Through February 2022, the U.S. recovered more than nine out of every ten (90.4 percent) of the 22 million jobs lost in March and April 2020.
- Following annual benchmark revisions to state employment numbers, California's February 2020 pre-pandemic unemployment rate was revised down from 4.3 percent to 4.1 percent and the COVID-19 Recession peak unemployment rate was 16.1 percent in May 2020 (previously 16 percent in April 2020). Following upward revisions to 2021 nonfarm job gains, the percentage of nonfarm jobs recovered through December 2021 was revised up to 80 percent from 71.7 percent.



Mining and logging and government had fewer jobs in January 2022 than in April 2020. Trade, transportation and utilities and professional and business services had more jobs in January 2022 than in February 2020.
Source: California Employment Development Department, Labor Market Information Division.

- California's unemployment rate held steady at 5.8 percent for the third consecutive month in January 2022. California's civilian employment increased by 109,000 and civilian unemployment saw a small increase of 9,200 people. California added 53,600 nonfarm jobs in January 2022, bringing the percentage of jobs recovered to 82 percent, compared to 86.9 percent for the nation for that same month. Eight sectors added jobs: trade, transportation, and utilities (26,600), educational and health services (11,500), professional and business services (7,100), manufacturing (3,400), information (2,900), leisure and hospitality (2,300), other services (900), and construction (200). Two sectors shed jobs: government (-800) and financial activities (-500), while mining and logging remained unchanged.

BUILDING ACTIVITY & REAL ESTATE

- California permitted 107,000 units on a seasonally adjusted annualized rate (SAAR) basis in January 2022, up 2.3 percent from December 2021, but down 14.5 percent from January 2021. January 2022 permits consisted of 68,000 single-family units (up 23.4 percent from December 2021 and up 4.2 percent year-over-year) and 39,000 multi-family units (down 21.3 percent month-over-month and down 34.8 percent year-over-year).
- The statewide median price of existing single-family homes increased to $771,270 in February 2022, up 0.7 percent from January 2022 and up 10.3 percent from February 2021. Sales of existing single-family homes in California totaled 424,640 units (SAAR) in February 2022, 16.7 percent below the 15-year high 509,750 units in December 2020, but 0.7 percent higher than the February 2020 pre-pandemic level of 421,670 units.

- Preliminary General Fund agency cash receipts for the first eight months of the 2021-22 fiscal year were $17.534 billion above the 2022-23 Governor's Budget forecast of $117.301 billion. Cash receipts for the month of February were $1.682 billion above the forecast of $7.946 billion.

- Of note, $6.265 billion of the total additional revenue through eight months is due to higher-than-expected Pass-Through Entity (PTE) elective tax payments under the corporation tax, a 2021 state tax change designed to allow some taxpayers to reduce their allowable federal tax liability starting with their 2021 tax returns. Every dollar received from the PTE elective tax paid generates a dollar of personal income tax credit. While the amount of PTE elective tax payments can be tracked in monthly cash reports, the extent to which taxpayers will reduce their personal income tax payments to reflect the elective tax credits cannot be determined until more complete tax return data for 2021 are available. Therefore, it is reasonable to assume that a portion of this $6.3 billion may overstate the amount of overall revenue strength to date.

- Personal income tax cash receipts to the General Fund for the first eight months of the fiscal year were $10.019 billion above the forecast of $81.162 billion. Cash receipts for February were $947 million above the forecast of $4.45 billion. Withholding receipts were $77 million below the forecast of $7.074 billion. Other cash receipts were $264 million above the forecast of $946 million. Refunds issued in February were $777 million below the expected $3.49 billion. Proposition 63 requires that 1.76 percent of total monthly personal income tax collections be transferred to the Mental Health Services Fund (MHSF). The amount transferred to the MHSF in February was $17 million higher than the forecast of $80 million.

- Sales and use tax cash receipts for the first eight months of the fiscal year were $1.299 billion above the forecast of $20.637 billion. Cash receipts for February were $1.522 billion above the month's forecast of $2.717 billion. February cash receipts include a portion of the final payment for fourth quarter taxable sales.

- Corporation tax cash receipts for the first eight months of the fiscal year were $8.115 billion above the forecast of $10.346 billion. Cash receipts for February were $119 million above the month's forecast of $343 million. Estimated payments were $119 million above the forecast of $199 million, other payments were $20 million above the $223 million forecast, and Pass-Through Entity (PTE) elective tax payments were $59 million above the $0 forecast. Total refunds for the month were $79 million higher than the forecast of $78 million.

- Insurance tax cash receipts for the first eight months of the fiscal year were $1 million above the forecast of $1.703 billion. Insurance tax cash receipts for February were $18 million below the forecast of $51 million. Cash receipts from the alcoholic beverage, tobacco taxes, and pooled money interest were $18 million below the forecast for the first eight months of the fiscal year, and were $9 million above the forecast of $38 million for February. "Other" cash receipts were $1.891 billion below the forecast for the first eight months of the fiscal year, and were $897 million below the forecast of $346 million for the month. February "other" cash receipts included -$640 million to complete the correction for over-reporting from prior months of the Individual Shared Responsibility Penalty. Over-reporting of the penalty began in 2020-21 and a correction of -$820 million was also recorded in January.

2021-22 Comparison of Actual and Forecast Agency General Fund Revenues

(Dollars in Millions)

	FEBRUARY 2022				**2021-22 YEAR-TO-DATE**			
Revenue Source	**Forecast**	**Actual**	**Change**	**Percent Change**	**Forecast**	**Actual**	**Change**	**Percent Change**
Personal Income	$4,450	$5,397	$947	21.3%	$81,162	$91,181	$10,019	12.3%
Sales & Use	2,717	4,239	1,522	56.0%	20,637	21,936	1,299	6.3%
Corporation	343	463	119	34.8%	10,346	18,462	8,115	78.4%
Insurance	51	33	-18	-35.8%	1,703	1,703	1	0.0%
Pooled Money Interest	8	15	7	97.8%	104	94	-9	-9.2%
Alcoholic Beverages	26	29	3	9.6%	292	294	2	0.6%
Tobacco	4	3	-1	-17.6%	39	37	-1	-3.7%
Other	346	-551	-897	-259.0%	3,019	1,128	-1,891	-62.6%
Total	$7,946	$9,628	$1,682	21.2%	$117,301	$134,835	$17,534	14.9%

This is an agency cash report and the data may differ from the Controller's report to the extent that cash received by agencies has not yet been reported to the Controller. Totals may not add due to rounding. The forecast is from the 2022-23 Governor's Budget.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

President Biden Signs the Fiscal Year 2022 Budget

BY KYLE HYLAND
BY ANJANETTE PELLETIER

posted March 16, 2022

On Tuesday, March 15, 2022, President Joe Biden signed the $1.5 trillion spending plan that keeps the government funded through September 30, 2022, the end of the federal fiscal year.

While the fiscal year officially began on October 1, 2021, Congress had yet to come to an agreement on a spending plan, and thus had to send three continuing resolutions (CRs) to President Biden over the last several months in order to avert a government shutdown. The CRs effectively kept the government funded at fiscal year (FY) 2021 levels and bought Congress time to negotiate on the 12 appropriations bills that comprise the federal budget.

The signed budget is significantly less than what President Biden and Congressional Democrats proposed for FY 2022 last April (which was a 14% increase over the previous year in non-defense discretionary [NDD] spending), however it is still the largest increase (a 6.7% increase over FY 2021 in NDD spending) that the country has seen in four years. Below we highlight a number of the significant community college investments that are included in the FY 2022 spending plan:

- $50 million for Strengthening Community Colleges Training Grants ($5 million above FY 2021)
- $2.9 for Workforce Innovation and Opportunity Act state grants ($34 million above FY 2021)
- Pell Grant maximum award increased to $6,895 ($400 above FY 2021)
- $895 million for Federal Supplemental Educational Opportunity Grants ($15 million above FY 2021)
- $1.21 billion for the Federal Work-Study Program ($20 million above FY 2021)
- $110.07 million for the Strengthening Institutions Program ($1 million above FY 2021)
- $8 million for Basic Needs for Postsecondary Students Program grants under the Fund for the Improvement of Postsecondary Education (FIPSE)
- $5 million for postsecondary student success grants under FIPSE

- $20 million for the Rural Postsecondary Economic Development Grant Program under FIPSE
- $1.38 billion for Career Technical Education state grants ($45 million above FY 2021)
- $690 million for Adult Education state grants ($16 million above FY 2021)
- $1.14 billion for the Federal TRIO Programs ($40 million above FY 2021)

With the FY 2022 federal budget now signed, focus will now shift to 2023, with President Biden's budget request expected within the coming weeks. Uncertain times continue, with concerns about the ongoing impacts of COVID-19, the war in Ukraine, and inflation, while at the same time jobs recovery and the economic outlook continue to be positive. Given last summer's unrealized education investments, there is cautious optimism that the 2023 budget proposal will include additional education investments.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Top Legislative Issues—March 18, 2022

BY SSC GOVERNMENTAL RELATIONS TEAM

posted March 18, 2022

The Senate Education Committee, chaired by Senator Connie Leyva (D-Chino), held their first committee hearing last week to consider bills introduced in 2022. The committee approved all six measures that were heard and will meet again next Wednesday, March 23, 2022, to debate another seven bills. The Assembly Higher Education Committee, chaired by Assemblymember Jose Medina (D-Riverside), has heard ten measures over the last two weeks, including seven this past Tuesday, March 15, 2022.

While the committee hearing agendas have been light since the February 18, 2022, the bill introduction deadline, over 400 bills have been amended since the beginning of last week, and many bills were introduced as "spot bills" 30 days prior and must have some substance before they will be referred to a policy committee. This means that the education policy committees' agendas will be picking up over the next month in order to meet the April 29, 2022, deadline for any bills with fiscal implications to clear policy committees.

To jump to certain topics, click on any of the appropriate links below:

Employees

Assembly Bill (AB) 1844 (Medina)—Higher Education Student and Faculty Protection Act. This bill would, beginning January 1, 2023, require the three public higher education segments to take certain actions before extending an official offer of employment to an applicant, including requesting that an applicant sign a statement declaring whether they are the subject of any findings of sexual harassment and authorizing the applicant's current and past employers to disclose to the hiring institution any sexual harassment committed by the applicant. The bill would prohibit, beginning June 1, 2023, the state's public higher education segments from hiring an applicant who does not sign the requested statement.

AB 1949 (Low, D-Silicon Valley)—Employees: Bereavement Leave. This bill would make it illegal for an employer to refuse to grant a request by an eligible employee to take up to five days of bereavement leave upon the death of a family member (a spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law).

AB 2556 (O'Donnell, D-Long Beach)—Local Public Employee Organizations. Current law says that if representatives of a public agency and union fail to reach an agreement, they may mutually agree on the appointment of a mediator and equally share the cost. This bill would revise the timeframe from no earlier than 10 days to no earlier than 15 days after the factfinders' written findings of fact and recommended terms of settlement have been submitted to the parties.

Senate Bill (SB) 868 (Cortese, D-Silicon Valley)—State Teachers' Retirement: Supplemental Benefits. This bill would prescribe additional benefits to be paid quarterly from the California State Teachers' Retirement System Supplemental Benefit Maintenance Account, beginning July 1, 2023, to retired members and nonmember spouses, disabled members, and beneficiaries, to be made pursuant to a specified schedule. The bill would require the amount of these increases to be determined on July 1, 2023, and would require that amount to be increased each year commencing on July 1, 2024, but not compounded. The bill would specify that these increases are not part of the base allowance, are payable only to the extent that funds are available from the Supplemental Benefit Maintenance Account, and would state the extent to which these payments would be vested.

Facilities

AB 1719 (Ward, D-San Diego)—Housing: Teacher Housing Act of 2016: Faculty and Community College District Employees. This bill would expand the authorized scope of a program established under the Teacher Housing Act of 2016 to include housing for faculty and community college district (CCD) employees and would make various conforming changes in this regard. The bill would also specify that a school district or CCD may allow foster youth or former foster youth to occupy housing created through the program.

Governance and District Operations

AB 1944 (Lee, D-San Jose)—Local Government: Open and Public Meetings. This bill would amend the Brown Act's teleconferencing requirements by allowing local agency members to teleconference into a public meeting without having to reveal private addresses or make private addresses accessible to the public. The bill would require the local agency, for any meeting in which a public official is attending virtually, to make a livestream option available to the public to view the meeting and provide an option for the public to address the body remotely during the public comment period through an audio-visual or call-in option.

AB 2449 (Rubio, D-Baldwin Park)—Open Meetings: Local Agencies: Teleconferences. Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would authorize a local agency to use teleconferencing without complying with those specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions.

SB 1100 (Cortese)—Open Meetings: Orderly Conduct. This bill would amend the Brown Act to authorize members of a public meeting to remove an individual for willfully interrupting the meeting. The bill defines "willfully interrupting" as engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law.

Miscellaneous

AB 1432 (Low)—The Online Community College. This bill would make the California Online Community College Act inoperative at the end of the 2022–23 academic year, effectively eliminating Calbright College.

SSC Comment: While this bill stalled last year, there's a chance Assemblymember Low will try to revive it if Calbright continues to struggle to make progress on the recommended changes from the July 2021 State Auditor's Report. The report recommends the Legislature give Calbright until the end of 2022 to make changes, but if they don't show improvement by the end of 2022, the report recommends the college to be dissolved.

2022 Legislative Calendar—Upcoming Holidays and Deadlines

April 1—Cesar Chavez Day observed

April 7—Spring Recess begins upon adjournment

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

A Robust Economy Isn't Always a Good Thing

BY PATTI F. HERRERA, EDD

posted March 21, 2022

The Department of Finance's (DOF) *March Finance Bulletin* once again shows state revenues soaring well beyond Governor Gavin Newsom's January estimates. In fact, the DOF reports that year-to-date revenues are outpacing projections by $17.5 billion, exceeding expectations by almost 15%. Each of the "big three" tax revenue sources are performing above forecast, the most robust being corporation taxes, which are 78.4% or $8.1 billion higher than Governor Newsom expected in January.

As the DOF noted in its previous bulletin, year-to-date revenues may be overstated due to a change in state tax laws that allow corporations to make elective tax payments that can accrue an equal dollar amount in personal income tax credits. Currently, the DOF estimates that $6.3 billion of current revenues are attributable to these corporate elective tax payments and suggest that, once 2021 taxes filings are complete, the current performance of state revenues may be significantly moderated as individuals claim the tax credits associated with these payments.

"Big Three" Taxes Year-to-Date (in millions)				
	Projection	**Actual**	**Change**	**% Change**
Personal Income Tax	$81,162	$91,181	$10,019	12.3%
Sales and Use Tax	$20,637	$21,936	$1,299	6.3%
Corporation Tax	$10,346	$18,462	$8,115	78.4%

Leveling expectations about final state revenues if and once personal income tax credits are realized is only one caution against the exuberance that comes with tens of billions of dollars in unanticipated revenue. The other is what strong revenues signify for the larger economy and the budgetary obligations that they create for the state.

While strong revenues indicate that the California economy is robust, they also signal a protracted imbalance in supply and demand that is creating significant inflationary pressures. The DOF reports that national inflation jumped to 7.9% in February, up from 7.5% in January—its highest level since 1982. Historic inflation has caused the Federal Reserve to increase its benchmark rate (the federal funds rate) for the first time since

2018 by a quarter of a percent and when doing so signaled that the hike would be followed by six more this year. This action, coupled with the Federal Reserve's quantitative tightening policies, is designed to reduce economic demand in order to bring it closer to supply levels.

Unanticipated revenues are also creating unique and significant budgetary pressures for state lawmakers. This is because, like local districts, the state of California is subject to an annual spending limit and, while the limit is adjusted every year for growth in per capita personal income and changes in population, its rate of growth is not keeping up with the rate of growth in state revenues. This dynamic creates "excess revenues" that the state cannot use for normal spending that would exceed its spending limit, reducing the Legislature's discretion on how to spend the state's surplus.

According to the Legislative Analyst's Office (LAO), because of the unique conditions this year every $1 in unanticipated revenue creates a $1.60 in state constitutional obligations: $1 in state spending limit requirements, $0.40 in K-14 spending under Proposition 98, and $0.20 in state reserve deposits required by Proposition 2. Thus, while K-14 education spending is likely to increase by nearly $7 billion based on year-to-date revenues, the Legislature and the Governor are faced with difficult State Budget choices for noneducation programs. The LAO reminds lawmakers that the state can address its obligation by spending excess revenues on "excludable expenses," such as facilities and emergencies, by reducing state revenues through tax credit policies, and/or by issuing equal amounts in taxpayer rebates and a one-time payment to K-14 education (above the Proposition 98 minimum guarantee). In any event, state discretionary spending will be significantly constricted this State Budget year, which for noneducation programs (like childcare, health care, and other social programs) poses serious concerns.

For more on the State Appropriations Limit and its Budget implications, click here.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Top Legislative Issues—April 1, 2022

BY SSC GOVERNMENTAL RELATIONS TEAM

 posted April 1, 2022

Policy committee hearing agendas have been ramping up in recent weeks as legislators race to meet the April 29 deadline for bills with fiscal implications to make it out of policy committee.

Both education committees that consider community college bills will meet next week before the Legislature leaves for its spring recess. The Assembly Higher Education Committee, chaired by Assemblymember Jose Medina (D-Riverside), will meet next Tuesday, April 5, 2022, to consider 16 measures while the Senate Education Committee, chaired by Senator Connie Leyva (D-Chino), will meet next Wednesday, April 6, to take action on 13 bills.

The Legislature will leave for its spring recess upon adjournment next Thursday, April 7, and will not return until Monday, April 18. When the Legislature returns, they will have two weeks for fiscal bills to clear policy committees, while nonfiscal bills will have until Friday, May 6.

To jump to certain topics, click on any of the appropriate links below:

- Education Finance
- Employees
- Facilities
- Instruction
- Tuition and Fees
- 2022 Legislative Calendar—Upcoming Holidays and Deadlines

Education Finance

Assembly Bill (AB) 1942 (Muratsuchi, D-Torrance)—Community Colleges: Funding: Instructional Service Agreements with Public Safety Agencies. This bill would require instruction provided by districts under instructional service agreements with public safety agencies (fire department, police department, sheriff's office, public agency employing paramedics or emergency medical technicians, the Department of the California Highway Patrol, and the Department of Corrections and Rehabilitation) to be funded under the Student Centered Funding Formula.

This bill will be heard by the Assembly Higher Education Committee next Tuesday, April 5, 2022.

Employees

AB 1667 (Cooper, D-Elk Grove)—State Teachers' Retirement System: Administration. This bill would create a process to ensure that school and community college districts receive timely and accurate information from the California State Teachers' Retirement System (CalSTRS), reducing the likelihood of reporting mistakes in the future. Specifically, the bill would:

- Ensure that retired members are not held liable for prior overpayments, except in cases of "member error"
- Hold CalSTRS accountable for guidance later determined to be erroneous
- Require that CalSTRS regularly update an official guidance document governing employer reporting
- Clarify that any changes to CalSTRS' interpretation of creditable compensation laws must be preceded by prior notice
- Require that CalSTRS publish all audit reports on its website
- Ensure that CalSTRS' appeal process allows all individuals impacted by an audit the right to appeal

This bill has yet to be scheduled for a hearing but has been referred to the Assembly Public Employment and Retirement Committee.

AB 1691 (Medina, D-Riverside)—Education Finance: Classified School and Community College Employee Summer Assistance Programs. This bill would establish the Classified Community College Employee Summer Assistance Program, which would authorize community college districts to participate in the program. The program would allow a classified employee of a participating district who meets the requirements to withhold an amount from their monthly paycheck during the academic year to be paid out during the summer recess period. The bill would require the Controller to annually appropriate $90 million to fund both the K-12 and community college programs.

This bill was approved 4-0 in the Assembly Public Employment and Retirement Committee on March 14, 2022, and now has to be approved by the Assembly Higher Education Committee before going to the Assembly Appropriations Committee for a fiscal hearing.

SSC Comment: While this is would be a new program for community colleges, it has already existed for K-12 classified employees for two academic years.

Senate Bill (SB) 873 (Cortese, D-Silicon Valley)—Classified School District and Community College Employees: Probation: Promotion. This bill would specify that merit school and community college districts shall employ a permanent classified employee who accepts a promotion and fails to complete the probationary period for that promotional position in the classification from which the district promoted the employee. The measure would also provide that if the bill's provisions conflict with a collective bargaining agreement approved before January 1, 2023, the bill's provisions shall not apply to the district until the agreement's expiration or renewal date.

This bill will be heard by the Senate Labor, Public Employment and Retirement Committee on Monday, April 4, 2022.

Facilities

AB 1764 (Medina, D-Riverside)—Public Postsecondary Education: Student Housing: Survey. This bill would require the California Community Colleges (CCC) and California State University, and request the University of California, to collect data on student housing insecurity at each of their respective campuses. The bill would require each segment to submit a report that compiles the collected data to the Legislature and the Legislative Analyst's Office by October 15, 2023; October 15, 2025; and October 15, 2027. This bill also would exclude from the definition of "school building" for purposes of the Field Act any building used or intended to be used as a residence for students attending a campus of a community college district. The bill would require the Department of General Services to approve plans and specifications for a residence for students attending a campus of a community college upon a request by the community college district.

This bill is scheduled to be heard by the Assembly Higher Education Committee next Tuesday, April 5, 2022.

SB 886 (Wiener, D-San Francisco)—California Environmental Quality Act: Exemption: Public Universities: University Housing Development Projects. This bill would exempt a university housing development project from the California Environmental Quality Act (CEQA) that is carried out by a public university, including a community college, on real property owned by the public university if the project meets certain requirements and the project is not located, in whole or in part, on certain sites, including a site that is within a special flood hazard area subject to inundation by a 1% annual chance flood or within a regulatory floodway as determined by the Federal Emergency Management Agency, as provided. The bill, with respect to a site that is within a special flood hazard area subject to inundation by a 1% annual chance flood or within a regulatory floodway, would prohibit a local government from denying an application on the basis that a public university did not comply with any additional permit requirement, standard, or action adopted by that local government applicable to the site if the public university is able to satisfy all applicable federal qualifying criteria in order to demonstrate that the site meets these criteria and is otherwise eligible to be exempt from CEQA pursuant to the above requirements.

This bill is scheduled to be heard by the Senate Environmental Quality Committee on April 25, 2022, just days before the deadline for fiscal bills to clear policy committee.

Instruction

AB 2617 (Holden, D-Pasadena)—Dual Enrollment Programs: Competitive Grants: College and Career Access Pathways Partnerships: Best Practices: Communication and Marketing Strategy. This bill would require the California Department of Education (CDE) and the California Community Colleges Chancellor's Office (CCCCO) to identify best practices for dual enrollment partnerships, appropriate financial incentives for school districts and community college districts to participate in dual enrollment and develop a statewide and communication marketing strategy around dual by September 1, 2024.

The bill was also recently amended to include the language of Governor Gavin Newsom's proposal to provide $500 million in one-time Proposition 98 funds to establish a competitive grant program administered by the CDE in consultation with the CCCCO (see "Governor Newsom Proposes Changes to Expand Dual Enrollment" in the February 2022 *Community College Update*).

This bill is scheduled to be heard by the Assembly Higher Education Committee next Tuesday, April 5, 2022.

Tuition and Fees

AB 2676 (Cervantes, D-Corona)—Postsecondary Education: Student Financial Aid Verification. This bill would prohibit the Student Aid Commission or an institution of higher education from performing a verification to establish eligibility for state financial aid on a student more than once, unless there is a break in attendance of more than one year by the student or the student transfers institutions, in which circumstance an additional verification would be authorized. This bill would, however, authorize the commission through an institution, or an institution internally, to verify student enrollment and grade point average for the purpose of verifying student eligibility under existing state financial aid eligibility requirements.

This bill has been referred to the Assembly Higher Education Committee, but has yet to be scheduled for a hearing.

SB 1141 (Limon, D-Santa Barbara)—Public Postsecondary Education: Exemption From Payment of Nonresident Tuition. This bill would expand eligibility for the exemption from paying nonresident tuition at a California public postsecondary institution established for long-term California residents, regardless of citizenship status. Specifically, it:

- Reduces, from three to two years, the minimum number of full-time attendance and attainment of credits a qualifying student must achieve at either (1) a California school and/or CCC or (2) a California elementary and/or secondary school

- Removes the two-year cap on full-time attendance achieved in credit courses at a CCC that may count towards the three-year total attendance requirement that applies in existing law

The Chancellor's Office is sponsoring this bill, which was just approved by the Senate Education Committee 5-0 on Wednesday, March 30, 2022. The bill now heads to the Senate Appropriations Committee where its fiscal implications will be scrutinized.

2022 Legislative Calendar—Upcoming Holidays and Deadlines

April 1—Cesar Chavez Day observed

April 7—Spring recess begins upon adjournment

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Inverted Yield Curve Signals Looming Economic Downturn

BY PATTI F. HERRERA, EDD
BY JOHN GRAY

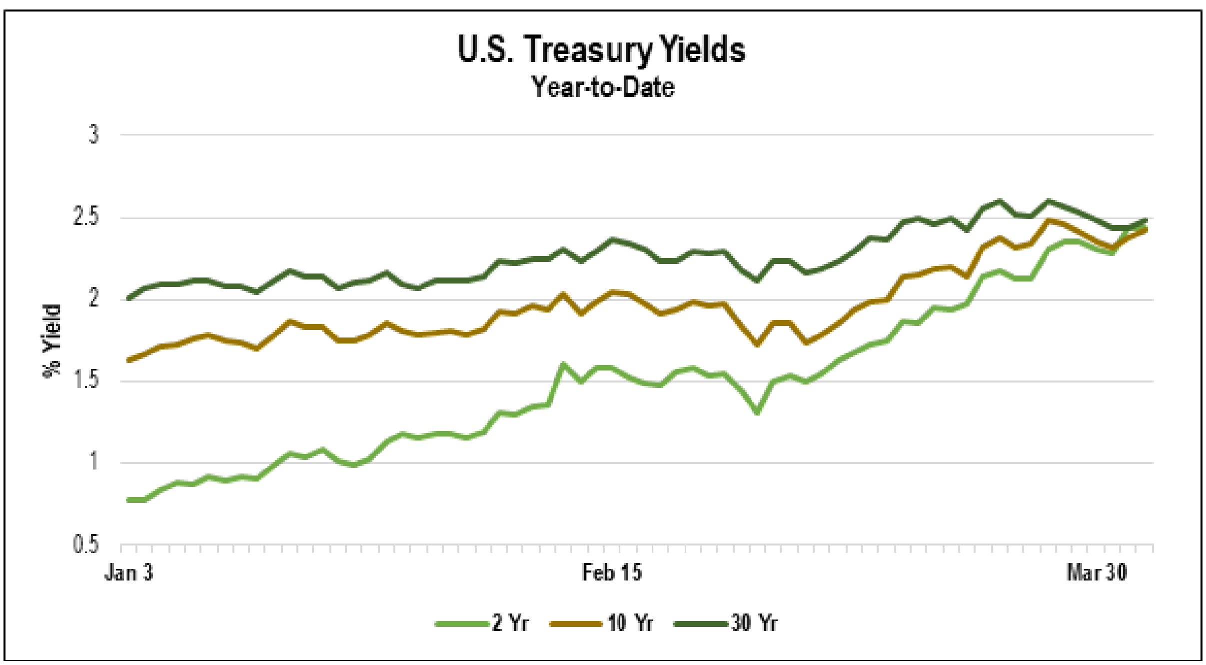
posted April 6, 2022

When we first presented the concept of the yield curve and its predictive power on future economic trends, no one would have guessed that our esteemed colleague, Robert Miyashiro, was forecasting that an international health pandemic would catapult the state, national, and global economies into deep—albeit short—recessions (see "More on the Yield Curve" in the August 2019 *Fiscal Report*).

Well, he did (even if unwittingly). Let's review what Robert taught us, and we will explain why we are raising the specter of an economic downturn in its context once again.

What Is the Yield Curve?

In the simplest terms, the yield curve is the relationship between a yield (or return on investments) on a U.S. Treasury bill, bond, or note and its investment term. Because these assets are backed by the U.S. government, investors view them as safe bets. Generally, Treasurys with longer maturities yield higher returns for investors than those with shorter terms since investors have to wait longer to realize their gains. So, conventionally, we see progressively higher yields or interest rates on assets as their terms to maturity increase.



The graph above shows the convergence of the yields on the 2-, 10-, and 30-year Treasurys leading into April 2022, signaling an impending shift in the relationship between the yields. When short-term Treasurys start yielding higher returns or interest rates than longer-term investments, we refer to this as an "inverted yield curve." The graph below shows the narrowing spread between 2- and 10-year Treasurys and the inversion point, when the interest rates for 2-year Treasurys were 0.06% higher than 10-year Treasurys.

Yield inversions can occur for a number of reasons, chiefly that the Federal Reserve increases short-term interest rates more than it does long-term interest rates, usually on a temporary basis, to address inflation. They can also occur when long-term interest rates decline when investors put downward pressure on long-term interest rates because of lowered economic and monetary policy expectations. And finally, yield curve inversions occur when investors believe that there are risks to the health of the future economy, in which case they are willing to accept less returns on longer-term investments in exchange for the security of the investment itself.

Regardless of the cause of a yield curve inversion, when short-term interest rates spike above long-term interest rates, it signals that either monetary policy is attempting to address a problematic economic condition or that investors are growing weary of the future economy—either signaling trouble ahead.

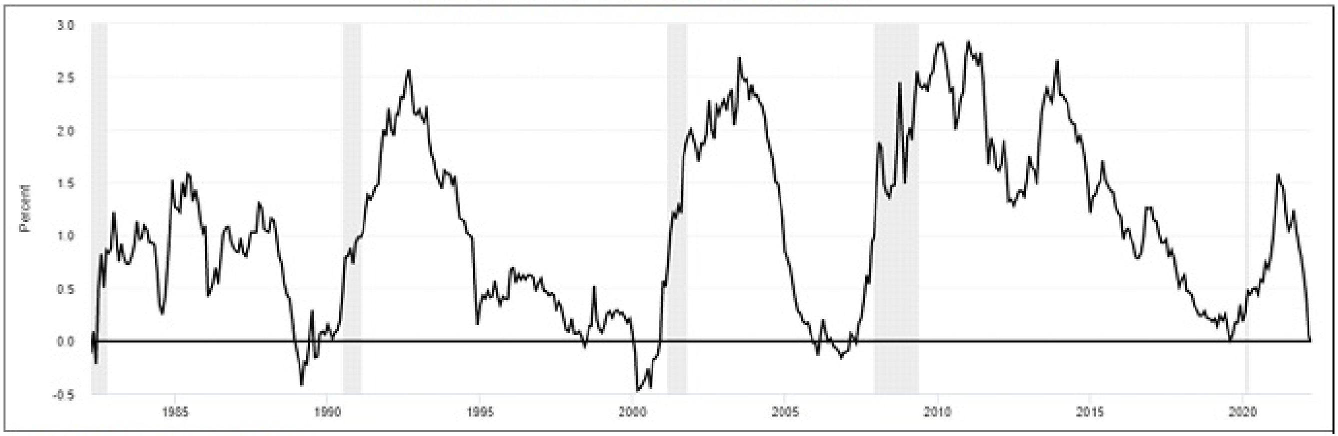
On April 1 and April 4, 2022, interest rates on 2-year Treasurys were modestly higher than the yields on 10-year Treasurys, by 0.06% and 0.01%, respectively. The last time the yield curve inverted was in the third quarter of 2019.

Predictive Power of the Inverted Yield Curve

The power of the yield curve to predict future economic trends has been studied extensively. Economists and researches alike have documented its power to predict a looming economic recession. As illustrated, the graph below shows that whenever the relationship between the 2-year and 10-year yields inverts, the phenomenon is followed by an economic recession (shown as the shaded gray bars).

According to some, when the yield curve inverts, it signals a better than two-thirds chance that the economy will enter into a recession within a year and a 98% chance that it will do so in within two years.

Inverted Yield Curve and U.S. Economic Recessions
2- to 10-Year Treasury Yield Spread



Source: Fred Economic Data

As practitioners who spend their lives in numbers, we know that two days of an inverted yield curve doesn't make a trend. And, as Robert cautioned in his August 2019 article, it is important to note that a one-day inversion is not a reliable predictor of economic recessions.

We will be watching the Treasury data closely as the Federal Reserve continues to adjust interest rates and tighten monetary policy, and as investors modify their behaviors to address concerns they have over protracted inflation, supply and demand imbalances, rising energy costs, and the economic impact of the Ukranian-Russian war.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Assembly Discusses 2022-23 State Budget Proposals for California Community Colleges

BY MICHELLE MCKAY UNDERWOOD

BY KYLE HYLAND

posted April 8, 2022

This week, the Assembly Budget Subcommittee on Education Finance, chaired by Assemblymember Kevin McCarty (D-Sacramento), met to discuss and vet the proposals for the California Community Colleges from Governor Gavin Newsom's 2022-23 State Budget. The subcommittee heard testimony from the Department of Finance, the Legislative Analyst's Office (LAO), and the California Community Colleges Chancellor's Office (CCCCO). The agenda and background information for the hearing can be found here. Below we highlight some of the key discussions from the hearing.

Enrollment

The subcommittee's discussion on enrollment focused primarily on the fact that the state's community colleges have lost more than 316,000 students since the beginning of the COVID-19 pandemic. The background information provided by the staff indicated that enrollment decline has been attributed to a number of issues including student-parents staying home to provide childcare, public health concerns, and disinterest among some students in taking courses online (as of fall 2021, about two-thirds of classes have been taken online).

Subcommittee Chair Kevin McCarty wanted to know why community college districts were so concerned about declining enrollment since Proposition 98 sets a minimum funding level for K-14 education and, as long as community colleges are getting their 11% share, it should not affect districts significantly. LAO representative Paul Steenhausen explained that the enrollment drop affects the base funding for the Student Centered Funding Formula (SCFF) and while it is true that the community college share of Proposition 98 will not be affected by declining enrollment, a district's discretionary funds decrease with the enrollment drop. These discretionary, or unrestricted, funds are what districts use for salaries, benefits, pension payments, and the other priority issues for their specific district.

The subcommittee wanted to know if these declines are unique to certain regions of the state. Executive Vice Chancellor Lizette Navarette said that there have been enrollment declines across all 73 districts but that they have been uneven in certain areas. There have been more significant declines in the far north region of the state as well as the more expensive areas to live in California. She said that there are about five districts that are starting to reenroll students and that there are targeted efforts everywhere to bring back the students lost.

Chair McCarty wanted to know whether classes being primarily online has made the enrollment declines worse. Executive Vice Chancellor Navarette said that they are seeing the online classes fill up first and then having to convert in-person classes to an online or hybrid format. She said that student surveys show that they enjoy the flexibility of having both online and in-person courses. Assemblymember O'Donnell (D-Long Beach), who has been a staunch champion of K-14 being physically reopened on almost all of the hearings he has participated in, chimed in that he wants to see more in-person classes.

Student Centered Funding Formula

After hearing an overview of the SCFF and the Governor's apportionment proposals, Assemblymember O'Donnell said that the 5.33% cost-of-living adjustment is woefully inadequate and needs to be significantly increased. Assemblymember O'Donnell has been consistent in his message that the state needs to invest more in base funding for K-14 education rather than funding new categorical programs needs to be increased. Executive Vice Chancellor Navarette presented the idea of a $300 million increase for technology, the proposal commonly referred to as "Tech Basic."

CalBright

The subcommittee had perhaps its most pointed discussion regarding Calbright, the state's online community college. The members heard a presentation from Calbright College President Ajita Talwalker Menon, who talked about how the college is addressing the recommendations from the State Auditor's report released last year. What was clear from this conversation is that the subcommittee does not think that the online college experiment is working and that the results are not showing justification to keep the college operating. The members feel that the pandemic changed the game to where all community colleges are offering online courses and that there is not a need for an online-only college. Chair McCarty went so far to say that he believes that the Assembly will "zero-fund" the college as it did last year. However, whether Calbright continues to operate will likely depend on how adamant the Newsom Administration is in keeping it funded and seeing if it will meet the audit's recommendations.

Next Steps

This was the last budget subcommittee hearing on community colleges until the Governor releases his revised State Budget proposal in mid-May. After it is released, the budget subcommittees will begin taking actions to craft the Legislature's 2022-23 State Budget, which needs to be approved by June 15, 2022.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Second Quarter Lottery Apportionment for 2021-22

BY MATT PHILLIPS, CPA
BY WENDI MCCASKILL

posted April 12, 2022

The State Controller's Office (SCO) distributed the 2021-22 second quarter Lottery apportionment. Community colleges received $45.99 per full-time equivalent student (FTES) for the unrestricted Lottery apportionment and $16.33 per FTES for the Proposition 20 restricted lottery apportionment. A total of $153,181,133 has been apportioned to community colleges for the first and second quarters.

The second quarter Lottery payment marks the second payment of unrestricted Lottery funds, and the first payment for restricted lottery funds. For more details on the second quarter apportionment for 2021-22 and other Lottery funding information, visit the California Community College Chancellor's Office website here. For more specifics on the apportionment detail, please visit the SCO website here.

As reported in School Services of California Inc.'s Governor's Budget Financial Projection Dartboard posted in February 2022, the annual Lottery estimates for 2021-22 are $163 per FTES for the unrestricted funds and $65 per FTES for the restricted funds. We will report any action by the Lottery Commission that may impact the Lottery funding for the 2021-22 fiscal year. The Lottery projections for 2022-23 should be released in the summer and will include projected per-FTES funding levels.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

CalPERS Set to Adopt 2022-23 Employer Contribution Rate

BY MICHELLE MCKAY UNDERWOOD

posted April 12, 2022

Next week, on April 18, 2022, the California Public Employees' Retirement System (CalPERS) Finance and Administration Committee is set to approve the Schools Pool valuation and corresponding employer contribution rates.

If the staff recommendation is adopted, the CalPERS Board will set the 2022-23 Schools Pool (including community colleges) employer contribution rate at 25.37%. This is an increase from the current-year rate of 22.91%, but slightly less than the estimated 25.40% contribution rate for 2022-23.

The Schools Pool experienced an investment return of 21.30% in 2020-21, which triggered a sequence of events based on the Funding Risk Mitigation Policy. First, the discount rate was reduced from 7.00% to 6.80%, which automatically increases the unfunded liability (because it assumes lesser investment returns in the out-years). This effect is neutralized under the Actuarial Amortization Policy, which directs a portion of the investment gain to be used to fully offset the increase in unfunded liability resulting from the decrease in discount rate. The reduction in discount rate from 7.00% to 6.80% increases the required employer contribution rate by 0.48% of pay.

On the plus side, the remaining return is amortized over a 20-year period, which has the effect of lessening the employer contribution rate by 1.27% of pay in the coming year. These returns will continue to help reduce the employer contribution, ramping up over a five-year period. Other marginal changes, including the Public Employees' Pension Reform Act (PEPRA) member contribution rate increase discussed below, bring the staff's recommendation to 25.37%.

CalPERS has also marginally updated its out-year employer contribution rates as follows:

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Old Projected Rates	25.40%	25.20%	24.60%	23.60%	22.50%	N/A
New Projected Rates	25.37%	25.20%	24.60%	23.70%	22.60%	22.60%

Member Contribution Rates

Under the PEPRA, new members hired on or after January 1, 2013, are required to contribute 50.00% of the total annual normal cost of their pension benefit as determined by the actuary. PEPRA school members currently contribute 7.00% of salary and will subjected to a 1.00% increase in 2022-23. Due primarily to the change in discount rate, the total normal cost for PEPRA members increased from 14.87% of payroll for 2021-22 to 15.91% for 2022-23. Under current law, the PEPRA member contribution rate must be adjusted to equal 50.00% of the new total normal cost, rounded to the nearest quarter percent. As a result, the member contribution rate will increase to 8.00% effective July 1, 2022.

The contribution rate for school members not subject to the PEPRA (i.e., classic members) is set by statute and is also 7.00% of salary.

For additional background information, the full CalPERS agenda item can be found here.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

LAO Offers Assessment of Student Housing Grants

BY MICHELLE MCKAY UNDERWOOD

 posted April 14, 2022

Earlier this year, the Newsom Administration provided its list of recommended student housing grant projects to be funded in the 2022-23 State Budget. As detailed at the time (see "DOF Sends 2021-22 Student Housing Grant Recommendations to the Legislature," in the March 2022 *Community College Update*), four California Community College District (CCD) projects and one intersegmental project including a CCD were proposed for this first round of funding.

But as anything in the State Budget process, Governor Gavin Newsom's branch is not the sole decider of grant recipients, and the Legislative Analyst's Office (LAO) this month weighed in on their assessment of the Administration's list and other ways the Legislature might think about utilizing the funds.

As a reminder, the Administration is proposing to allocate nearly all $500 million in the first round of three years of funding. This amount consists of $18 million for initial planning at for CCDs and $470 million for construction projects. According to the Department of Finance (DOF), it selected construction projects based on three factors, which it views as generally reasonable:

- Whether the project was intersegmental (with all eligible intersegmental projects automatically receiving top rank)
- State funding per bed (with a lower amount yielding a higher rank)
- Proposed rents of the new housing facilities relative to the statutory limit (with a lower share yielding a higher rank)

As part of the first round, the DOF proposes awarding grants to all CCDs that submitted a planning grant application, which would cover early planning activities, such as feasibility studies, engineering studies, financing studies, and environmental impact studies. The LAO agrees with this approach as most applicants are in the very early stages of developing their projects.

More generally, the LAO suggests the Legislature consider three main areas.

Project Prioritization

Legislature could consider other approaches to measure project affordability, such as comparing a project's proposed on-campus rent to off-campus housing costs in the nearby community. This would be difficult for assessing the CCDs applications as only a few community colleges had submitted data on off-campus housing costs.

The LAO also noted that the DOF only directly considered one of the seven additional prioritization factors specified in statute—whether the project is intersegmental. The other six statutory priority factors that can be considered are:

- Commercial space renovations
- Share of low-income students
- Housing demand
- Construction timeline
- Geographical coverage
- Enrollment capacity

Another way to prioritize projects would be towards those that leverage nonstate funds. The share of state versus nonstate funds varied across the proposals, and none of the CCD projects proposed for funding by the Administration plan to utilize nonstate funds. Of those CCD projects that are eligible, but lower priority, the usage of nonstate funds varies significantly from $0 to more than 75% of a project.

Finally, the LAO suggested the Legislature consider awarding more grant funding this budget cycle. Approving more projects this year would enable campuses to commence with projects sooner, thereby increasing housing stock more quickly and avoiding higher construction costs in future years. This would be welcome news to the seven CCD projects that are eligible for funding but given a lower priority by the Administration. However, 11 CCD and one intersegmental that applied are currently not eligible and would likely want to improve and resubmit for the next round of funding.

Project Risks

While acknowledging that all projects involve risk of cost overrun, the LAO believes many proposed projects could face higher-than-expected costs, potentially undermining their impact, affordability, and even feasibility.

These risks are even higher for the CCDs, where most community colleges have no experience with on-campus housing facilities. To mitigate this risk, the LAO recommends requiring award recipients to submit plans documenting nonstate fund sources they would use to cover any cost overruns. And going forward, the

LAO recommends the Legislature adopt in statute minimum project contingency expectations.

To approve changes to a project's cost or scope, the LAO suggests giving the Administration that authority, but only with 30-days advance notification to the Legislature. Not every change would require such approval—the LAO suggests approval should be sought if the change is greater than 10%: if costs are more than 10% higher than expected and/or affordable beds are 10% lower than expected.

Finally, to strengthen oversight, the LAO suggests the Legislature require the statutory annual reports to include updated project construction costs, updated project timelines, projected or actual rents of the new housing facilities, the projected or actual number of affordable beds, and occupancy rates for completed projects. And that these reports would be submitted in the fall, ahead of the upcoming legislative session.

Other Student Affordability Issues

The LAO also examined issues that remain unresolved around student affordability and higher education facilities:

- State lacks integrated framework for assessing housing affordability in college context
- Difficult to assess this student housing grant programs' impact on college affordability
- Low-income students likely will continue to have substantial unmet financial need
- Legislature also faces substantial academic facility issues

In conclusion, the LAO recommends the Legislature begin thinking about which of its higher education objectives are of highest priority, then pursue the most cost-effective, efficient, and equitable activities to accomplish these objectives.

Next Steps

Just like other aspects of the 2022-23 State Budget, while the Newsom Administration begins the conversation with a proposal, the Legislature gets to weigh in as well. The Assembly Budget Subcommittee on Education Finance will be discussing student housing on Tuesday, April 19, 2022, at 9:00 a.m.

The full report from the LAO can be found here.

Fiscal Resources Committee

2022/2023 Proposed Meeting Schedule

All meetings will be held from 1:30 – 3:00 p.m.
Executive Conference Room – District Office

July 6, 2022

August 17, 2022

September 21, 2022

October 19, 2022

November 16, 2022

January 18, 2023

February 15, 2023

March 15, 2023

April 19, 2023

May 18, 2023 (Thursday)

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.

2022 BAM Review Taskforce Recommendations:

1) Vice Chancellor Ingram to remind District Council of their Responsibilities under the BAM to either conduct or delegate to POE:
   - 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 transparent, 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.
   - An annual review of District Services and Institutional Costs will be conducted by the 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 the District Council believes a change to the allocation is necessary, it will submit its recommendation to the FRC for funding consideration and recommendation to the Chancellor.

2) The taskforce suggests that language related to the use of non-apportionment revenues be used for 4710 expenditures (food) be added to BP 6015 rather than the BAM.

3) Recommend POE weigh in on how the BAM should address contraction.

4) The taskforce understands the State Chancellor's Office has recommended districts adopt formal policies to maintain sufficient unrestricted reserves with a suggested minimum of two months of total general fund operating expenditures consistent with the Budgeting Best Practices published by the Government Finance Officers Association (GFOA) and that the Board Fiscal Audit Committee will discuss and recommend to the BOT a funding mechanism over a period of time. Once established, the BAM can be updated with this information.

Taskforce Members: Steven Deeley, Bart Hoffman, Jim Isbell, Cristina Morones, William Nguyen, Craig Rutan, Arleen Satele and Adam O'Connor

Rancho Santiago Community College District
Budget Allocation Model
Based on the Student Centered Funding Formula

The *"Rancho Santiago Community College District Budget Allocation Model Based on the SCFF"* was recommended at the November 18, 2020 Fiscal Resource Committee meeting and updated on April 20, 2022.

Introduction

In February of 2012, the Rancho Santiago Community College District approved and adopted a revenue allocation formula, based on SB 361, in order to provide the greatest amount of flexibility for each of the campuses. The change was initiated by the district Budget Allocation and Planning Review Committee (BAPR) and a technical subgroup of BAPR who was then delegated the task of reviewing the model that the District had been using for the previous ten years. The BAPR workgroup proceeded to review and evaluate approximately 20 other California community college multi-campus budget allocation models. Following the review of other models, the BAPR workgroup ultimately decided on a revenue allocation model as opposed to the expenditure allocation model that had been in effect in the District. On July 1, 2018, the Student Centered Funding Formula (SCFF) was adopted by the ~~*State of California*~~ State of California marking one of the biggest changes to California Community College funding yet. The SCFF is based on three allocations:

1) Base Allocation (70% of state funding) is based on the number of colleges and comprehensive centers in the community college district and total FTES generation

2) Supplemental Allocation (20% of state funding) is based on the number of low-income students.

3) Student Success Allocation (10% of state funding) is based on student progress such as transfer, completion, and wage earnings.

RSCCD's Fiscal Resource Committee (FRC), as the current participatory governance body in charge of reviewing and evaluating the RSCCD revenue allocation model, determined that based on the new distribution of funds from the State, the District's current budget model needed to be reviewed and revised to be in accordance with the Student Centered Funding Formula.

~~Noncredit education funding did not change from SB361.~~ Noncredit and Career Development and College Preparation (CDCP) funding are considered fully funded in the base allocation and do not qualify for supplemental and success funding. See Appendix A - D~~d~~efinition of T~~t~~erms for enhanced descriptions.

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 transparent, 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 is 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 is responsible 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 services ~~operations~~, fiscal and budgetary oversight, procurement, construction and capital outlay, district safety and security and information technology. On the broadest level, the goal of this partnership is to encourage and support collaboration between the colleges and District Services.

SECTION MOVED TO APPENDIX B - HISTORY ~~Implementation~~

~~In the Spring of 2019, Rancho Santiago Community College District began the process of developing a new budget allocation model (BAM) to better align with the newly adopted Student Centered Funding Formula. On November 18, 2020 the Fiscal Resource Committee (FRC) finished their work and recommended a new BAM.~~

~~The following committee members participated in the process:~~

~~Santa Ana College~~	~~Santiago Canyon College~~	~~District~~
~~Bart Hoffman~~	~~Steven Deeley~~	~~Morrie Barembaum (FARSCCD)~~
~~Vanessa Urbina~~	~~Cristina Morones~~	~~Noemi Guzman~~
~~William Nguyen~~	~~Craig Rutan – Co-Chair~~	~~Adam O'Connor – Chair~~
~~Roy Shahbazian~~	~~Arleen Satele~~	~~Thao Nguyen~~
		~~Enrique Perez~~
~~Vaniethia Hubbard (alternate)~~	~~Syed Rizvi (alternate)~~	~~Erika Almaraz (alternate)~~

~~The SCFF is in its infancy and will continue to be modified as the formula matures.~~ This BAM should be reviewed on an annual basis by the FRC to evaluate any ~~the~~ changes in the SCFF as updates are signed into law and recommend any related changes to the BAM to District Council.

College and District Services Budgets and Expenditure Responsibilities

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

Expenditure responsibilities for the colleges, District Services and Institutional Costs are summarized in Table 2.

	TABLE 1 **Revenue and Budget Responsibilities**	**Santa Ana College & CEC** ☑	**Santiago Canyon College & OEC** ☑	**District Services** ☑	**Institutional Cost** ☑
Federal Revenue- (81XX)					
1	Grants Agreement	✓	✓	✓	
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	✓	✓	✓	
	Supplemental Funding	✓	✓	✓	
	Student Success 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	✓	✓	✓	

	TABLE 1 Revenue and Budget Responsibilities	Santa Ana College & CEC ☑	Santiago Canyon College & OEC ☑	District Services ☑	Institutional Cost ☑
State Revenue- (86XX)					
10	Lottery				
	- Unrestricted (abate cost of utilities)	✓	✓	✓	
	- Restricted-Proposition 20	✓	✓		
11	Instructional Equipment Matches (3:1)	✓	✓		
12	Scheduled Maintenance Matches	✓	✓	✓	
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			✓	

TABLE 2 Expenditure and Budget Responsibilities		Santa Ana College & CEC ☑	Santiago Canyon College & OEC ☑	District Services ☑	Institutional Cost ☑
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	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)	✓	✓	✓	

	TABLE 2 Expenditure and Budget Responsibilities	Santa Ana College & CEC ☑	Santiago Canyon College & OEC ☑	District Services ☑	Institutional Cost ☑
Employee Benefits-(3XXX)					
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	Utilities				
	-Gas	✓	✓	✓	
	-Water	✓	✓	✓	
	-Electricity	✓	✓	✓	
	-Waste Management	✓	✓	✓	
	-Water District, Sewer Fees	✓	✓	✓	
3	Audit			✓	
4	Board of Trustee Elections				✓
5	Scheduled Maintenance	✓	✓	✓	
6	Copyrights/Royalties Expenses	✓	✓	✓	
Capital Outlay-(6XXX)					
1	Equipment Budget				
	-Instructional	✓	✓	✓	
	-Non-Instructional	✓	✓	✓	
2	Improvement to Buildings	✓	✓	✓	
3	Improvement to Sites	✓	✓	✓	

The revenue allocations will be regularly reviewed by the FRC. In reviewing the allocation of general funds, the 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, the 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 the FRC and the District Council and approved by the Chancellor and the Board of Trustees. Any transfers made between District departments during a fiscal year are one-time in nature and do not increase the overall District budget. If any permanent transfers are made at Tentative or Adopted budget, one department is reduced and another increased by the same amount and also do not increase the overall District budget.

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 Services ~~Operations~~, Internal Auditing, Fiscal Services, Payroll, Purchasing, Facilities Planning, ITS and Safety Services. The Publications Department operates on a chargeback system in Fund 13 and therefore their funds carryover from year to year to operate the enterprise. Economic Development expenditures are to be included in the District Services budget and ~~but~~ clearly delineated from other District expenditures. An annual report of Economic Development activities and related costs will be presented to FRC.

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. As the board election expense is incurred every other year, it will be budgeted each year at one-half of the estimated cost. In the off years, the funds will remain unspent and specifically carried over to the next year to be used solely for the purpose of the election expense. If there is insufficient budget, the colleges will be assessed the difference based on the current SCFF ~~FTES~~ split. If any funds remain unspent in an election year, it will be allocated to the colleges based on the current SCFF ~~FTES~~ split for one-time uses.

An annual review of District Services and Institutional Costs will be conducted by the 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 the District Council believes a change to the allocation is necessary, it will submit its recommendation to the 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 within the revenues each generate. There are some basic guidelines the colleges must follow:

- Allocating resources to achieve the maximum state funded level of FTES and other SCFF metrics 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.~~ To ensure that the District complies with the State required full-time Faculty Obligation Number (FON), the District Chancellor will establish a FON for each college. Each college is required to fund at least that number of full-time faculty positions. Any financial penalties imposed by the state due to FON non-compliance will be borne proportionately by the ~~campus~~ college(s) not in compliance unless a districtwide strategic decision is made to fall below FON and other funding sources are identified.
- 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 SCFF ~~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

At the Adopted Budget each college shall set aside a contingency reserve in the Unrestricted General Fund equal to a minimum of 1% of its total current year budgeted Fund 11 expenditures to handle unforeseen expenses. If the contingency reserve is unspent by fiscal year end, the college reserve rolls over into the colleges' beginning balance for the following fiscal year. The District Services and Institutional Cost allocations are budgeted as defined in the model for the appropriate operation of the district and therefore are not subject to carryover, unless specifically delineated. The Chancellor and Board of Trustees reserve the right to modify the budget as deemed necessary.

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

The college reserve shall first be used to cover any deficit (structural and/or one-time). If reserves are not sufficient to cover the deficit, then the college is to prepare an immediate expenditure reduction plan that covers the amount of deficit along with a plan to replenish the 1% minimum reserve level. Once the college reserve has been exhausted, in circumstances when any remaining deficit is greater than 1.5% of budgeted Fund 11 expenditures, and a reduction plan has been prepared up to the 1.5% level, the college may request a temporary loan from District Reserves. The request, including a proposed payback period, should be submitted to the FRC for review. If the FRC supports the request, it will forward the recommendation to the 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 one-time addition or reduction to the colleges' current budget year and distributed in the model based on the most up to date SCFF apportionment split reported by the District and funded by the state.

The apportionment includes funded FTES, supplemental, and student success allocations.
An example of revenue allocation adjustment:

$100,000,000 is originally split 70% Santa Ana College ($70,000,000) and 30% Santiago Canyon College ($30,000,000) based on the SCFF split at the time of budget adoption. At the final SCFF recalculation for that year, the District earns an additional $500,000 based on the total funded apportionment. In addition, the split of apportionment 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 is determined by the prior year final FTES total. 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).

	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	

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).

	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	

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).

	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	

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).

	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	

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.

~~**Stability**~~

~~The stability mechanism has been eliminated for all FTES in the SCFF.~~

Hold Harmless

This model includes several hold harmless mechanisms in alignment with the SCFF. The chart below describes the various methods the State Chancellor's Office uses to fund districts in the event apportionments are reduced from year to year. Hold Harmless funding currently is extended through 2024/25.

In any given year, a district's funding under the new Student Centered Funding Formula (SCFF) would be the highest of the amounts included in the lines below:					
Line	**Statutory Reference**	**2018-19**	**2019-20**	**2020-21**	**2021-22**
1	Education Code section (ECS) 84750.4(b), 84750.4(c), 84750.4(d), 84750.4(e), and 84750.4(f) [STUDENT-CENTERED FUNDING FORMULA (SCFF)]	SCFF calculation	SCFF calculation	SCFF calculation	SCFF calculation
2	ECS 84750.4(g)(1)	2017-18 TCR. /1	2017-18 TCR. /1	N/A	N/A
3	ECS 84750.4(g)(2)	N/A	N/A	2017-18 credit, noncredit, and CDCP noncredit rates, multiplied by 2020-21 FTES, with basic allocation. /1	2017-18 credit, noncredit, and CDCP noncredit rates, multiplied by 2021-22 FTES, with basic allocation. /1
4	ECS 84750.4(g)(4)	N/A	Greater of lines 1 or 2 as calculated in **2018-19.**	Greater of lines 1 or 2 as calculated in **2019-20.**	Greater of lines 1 or 3 as calculated in **2020-21**.
5	ECS 84750.4(h)	2017-18 TCR adjusted by 2018-19 COLA.	2017-18 TCR adjusted by 2018-19 and 2019-20 COLAs.	2017-18 TCR adjusted by 2018-19, 2019-20, and 2020-21 COLAs.	N/A
/1 Special provisions for San Francisco Community College District and Compton Community College District.					
TCR = Total Computational Revenue					

Stability

There remains one year of stabilization under SCFF following Hold Harmless. If a district drops below the prior year total apportionment, they are stabilized at the prior year apportionment amount for that year, giving the district the following year to regain the funding or be reduced to the actual amount earned.

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 SCFF ~~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 and vendor rebates (not including utility rebates which are budgeted in Fund 41 for the particular budget center), 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. The-ongoing state allocation for the Mandates Block Grant will be allocated to the colleges through the model. Any one-time Mandates allocations received from the state will be discussed by FRC and recommendations will be made for one-time uses.

Cost of Living Adjustments: COLAs included in the tentative and adopted budgets shall be distributed to the three budget centers pro rata based on total budgeted salary and benefits expenses and 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 12~~)~~ 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 average cost for the health and welfare benefits by employee group. 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 costs earned by that college and transferred into Fund 13 the following year to be used for one-time expenses. The indirect costs earned by district projects will roll into the institutional ending fund balance with the exception of the District Educational Services grants. In order to increase support services and resources provided to the colleges and to acknowledge the additional costs associated with administering grants, any accumulated indirect costs generated from these grants will be distributed as follows: 25% will roll into the institutional ending fund balance, 25% will offset the overall District Services expenditures in that given year, and 50% will carryover specifically in a Fund 13 to be used at the discretion of the Chancellor. ~~account under Educational Services to be used for one-time expenses to increase support services to the colleges.~~

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 7~~,~~200 transfers.

Banked LHE Load Liability

The liability for banked LHE is 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 Fiscal Services ~~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 to determine if any additional transfers are required. The college will be charged or credited for the differences.

Other Possible Strategic Modifications

Summer FTES

The 3-year average used under SCFF for credit FTES funding has severely reduced the effectiveness of the "summer shift," nevertheless, 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 the 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

Colleges: Each college has a long-term plan for facilities and programs. The District 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 (SAC) 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 (SCC), long-term plans are developed similarly to short-term plans, and exist in a variety of interconnected processes and documents. 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, and program reviews. 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. 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 District Chancellor will establish a FON for each college. Each college is required to fund at least that number of full-time faculty positions. When a District falls below the FON a replacement cost penalty is required to be paid to the state. The amount of the replacement cost will be deducted from the revenues of the college(s) incurring the penalty.~~

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.

Rancho Santiago Community College District

Budget Allocation Model Based on the SCFF

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 Allocation (Funding) – The base allocation represents approximately 70% of the statewide funding for CCC's. The base allocation includes the Basic Allocation and FTES in Traditional Credit, Special Admit Credit, Incarcerated Credit, Traditional Noncredit, CDCP, and Incarcerated Noncredit. A district's base funding could be higher or lower than the 70% statewide target depending on FTES generation as a comparison to overall apportionment.

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.

Basic Allocation – Funding based on the number of colleges and comprehensive educational centers in the community college district. Rates for the size of colleges and comprehensive educational centers were established as part of SB 361 and henceforth are adjusted annually by COLA. The district receives a basic allocation for CEC, OEC, SAC, and SCC. Current year FTES is used to determine the basic allocation.

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 12.5% Board Policy Contingency ~~reserve~~, budget center carryovers and any restricted balances, available for one-time needs at the discretion of the chancellor and Board of Trustees.

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 Student Equity and Achievement or Career 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.

Career Development and College Preparation (CDCP) - Noncredit courses offered in the four distinct categories (instructional domains) of English as a Second Language (ESL), Elementary and Secondary Basic Skills, Short-term Vocational, and Workforce Preparation are eligible for "enhanced funding" when sequenced to lead to a Chancellor's Office approved certificate of completion, or certificate of competency, in accordance with the provisions of the California Education Code governing Career Development and College Preparation (CDCP) programs.

CCCCO – California Community College Chancellor's Office

Comprehensive Educational 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 comprehensive centers are Centennial Education Center (CEC) and Orange Education Center (OEC).

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

College Reserve – College-specific one-time funds set aside to provide for estimated future expenditures or deficits, for working capital, economic uncertainty, or for other purposes.

Credit FTES – Credit FTES include traditional credit, special admit and incarcerated populations. Traditional credit FTES are funded based on a simple three-year rolling average of the current year and prior two years. Special admit and incarcerated FTES are funded based on the current year production.

Decline – When a District (or college internally) earns fewer FTES than the previous year. (please see Stabilization and Restoration)

Defund – Eliminating the cost of a position from the budget.

Ending Fund Balance – Defined in any fiscal year as Beginning Fund Balance plus total revenues minus total expenditures. The Ending Fund Balance rolls over into the next fiscal year and becomes the Beginning Fund Balance. It is comprised of College Reserves, Institutional Reserves and any other specific carryovers as defined in the model or otherwise designated by the Board.

Fifty Percent Law (50% Law) – Section 84362 of the Education Code, commonly known as the 50% 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 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.~~,~~ ~~t~~The minimum 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 (3 x 175 = 525). FTES are separated into the following categories for funding; traditional credit, special admit, incarcerated, traditional noncredit and CDCP.

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 FTES~~ 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.

Institutional Reserve – Overall districtwide one-time funds set aside to provide for estimated future expenditures or deficits, for working capital, economic uncertainty, or for other purposes. The Institutional Reserve consists of the Board Policy Contingency, the Budget Stabilization Fund, and any other contingency fund held at the institutional level over and above the College Reserves.

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.

Noncredit – Noncredit coursework consists of traditional noncredit and CDCP. CDCP is eligible for enhanced funding. Current year FTES are used to determine funding.

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.

Restoration – A community college district is entitled to restore any reduction of apportionment revenue related to decreases in total FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

SB 361 – The Community College Funding Model (Senate Bill 361), effective October 1, 2006 through July 1, 2018, included funding-based 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 was 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 provided a base operational allocation for colleges and centers scaled for size.

SCFF – The Student Centered Funding Formula was adopted on July 1, 2018 as the new model for funding California community colleges. The SCFF is made up of three parts: Base Allocation, Supplemental Allocation, and Student Success Allocation. The aim of the SCFF is to improve student outcomes as a whole while targeting student equity and success.

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

Stabilization – ~~Stabilization has been eliminated for all FTES in the SCFF~~ If a district drops below the prior year total apportionment, they are stabilized at the prior year apportionment amount for that year, giving the district the following year to regain the funding or be reduced to the actual amount earned.

Student Success Allocation (Funding) – Consists of approximately 10% of the statewide budget. Apportioned to districts based on a variety of metrics that measures student success. Some examples of the metrics used include associate degrees and certificates awarded, transfers, nine or more CTE units, number of students successfully completing transfer level Math and English in their first academic year and number of students achieving a regional living wage. The student success allocation is based on a simple three-year rolling average which uses the prior year; prior, prior year; and prior, prior, prior year outcome metrics. Students contributing to fully funded FTES populations (special admit and incarcerated) are not included for funding.

Supplemental Allocation (Funding) – Consists of approximately 20% of the statewide budget. Apportioned to districts based on districts students that are Pell Grant Recipients, AB540 students and/or California Promise Grant Recipients. Prior year data is used for funding.

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.

Three-year Average – Traditional credit FTES data for any given fiscal year is the average of current year, prior year and prior, prior year. Special Admit and Incarcerated FTES are not included in the three-year average. A three-year average is also utilized for student success metrics. For student success, the three-year average uses the prior year; prior, prior year; and prior, prior, prior years to determine funded outcomes.

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.

Appendix B – History of Allocation Model

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.

In the Spring of 2019, Rancho Santiago Community College District began the process of developing a new budget allocation model (BAM) to better align with the newly adopted Student Centered Funding Formula. On November 18, 2020 the Fiscal Resource Committee (FRC) finished their work and recommended a new BAM.

The following committee members participated in the process:

Santa Ana College	Santiago Canyon College	District
Bart Hoffman	Steven Deeley	Morrie Barembaum (FARSCCD)

Vanessa Urbina	Cristina Morones	Noemi Guzman
William Nguyen	Craig Rutan – Co-Chair	Adam O'Connor – Chair
Roy Shahbazian	Arleen Satele	Thao Nguyen
		Enrique Perez
Vaniethia Hubbard (alternate)	Syed Rizvi (alternate)	Erika Almaraz (alternate)

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). The 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.

Vacant Funded Positions for FY2021-22- Projected Annual Salary and Benefits Savings
As of April 11, 2022

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Position ID	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2021-22 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Birk, John	1025630	5HR-UF-DIR	Director, Information System	District	7/11/2019	47,990	Hired Sil Han Jin 11-29-2021 under New position title as Director, People & Culture/HR CL21-00164. Budget change form #BCW13OS72Z moved $21,425 to 11-0000-673000-53110-5100	11-0000-673000-53110-2110	73,804	
11	Chief Advisor for Academic & Diversity Programs			Chief Advisor for Academic & Diversity Programs	District	7/1/2021	-	NEW AC21-00047. Narges Rabii-Rakin Inteim Assignment 7/1/21-6/30/22	11-0005-660000-51100-1210	-	
11	Chief Communication Officer	REORG#1230		Chief Communication Officer	District	9/2/2021	-	Hired Letitia Clark#2633790 CL21-00109 Reorg#1230 Eliminated Director, Public Affairs/Publications position and changed to Chief Communication Officer.	11-0000-671000-52200-2110	-	263,232
30%-fd 11 70%-fd 12	Director of Grants	REORG#1228		Director of Grants	District		40,880	Reorg#1228 Elinimated Executive Director Resource Development and added Director of Grants	11-0000-679000-53345-2110-30% 12-????-70%	62,879	
11	Estevez, Jean	2439960	5HR-LF-ADMR	Director Admin, Institutional Equity, Compliance & Title IX	District	5/11/2021	15,889	Jennifer De La Rosa Interim Assignment 7/1/21-6/30/22	11-0000-673000-53110-2110	52,902	
11	Hoang, Michael	2456217	5SAS-UF-DIR2	Director of Academic and End User Support Servic	District	12/3/2021	28,425	BCF#BCPULQMCR4 moved $59,271 to 11-0000-678000-54146-5100	11-0000-678000-54142-2110	50,863	
50%-fd 11 50%-fd 12	Santoyo, Sarah	1026071	5RDEV-UF-DIRX	Executive Director Resource Development	District	1/28/2019	-	Reorg#1228 Elinimated Executive Director Resource Development and added Director of Grants	11-0000-679000-53345-2110-50% 12-2185-679000-53345-2110-50%	-	
11	Taylor, Darryl	1402038	5CONS-LF-DIR	Director, District Construction Support Services	District	5/27/2022	15,092		11-0000-710000-54132-2110	22,784	
11	Dominguez, Gary M.	1029208	2616155	Director, Fire Instruction	SAC	8/23/2019	10,203	Fred Ramsey Interim Assignment 7/1/21-6/30/2022	11-0000-601000-15715-1210	39,978	
11	Funaoka, Marygrace	1058592	1CDEV-FF-IN1	Instructor, General Ed	SAC	6/30/2021	-	Site submitted BCF#BC8QXG0IW6 moving to Fund 41	11-0000-080100-15717-1110-60% 11-0000-130500-15717-1110-40%	-	
11	McMillan, Jeffrey	1028829	1CHEM-FF-IN	Instructor, Chemistry	SAC	6/4/2022	-		11-0000-190500-16420-1110	-	
11	Miller, Rebecca	1028551	1SMHS-AF-DNAC	Associate Dean, Health Science/Nursing	SAC	6/30/2020	(22,842)	Hired Mary Steckler efffective 7-1-2021 Grade "D" Step "5" AC21-00076	11-0000-601000-16100-1210	(27,952)	
11	Sotelo, Sergio R.	1028661	10AD-AF-DN3	Dean, Instr & Std Svcs	CEC	6/30/2020	0	Site submitted BCF#BC8QXG0IW6 moving to Fund 41. Lorena Chavez Interim Assignment 7/1/21-6/30/22	11-0000-601000-18100-1210-50% 11-2490-601000-18100-1210-50%	28,148	101,071
11	Steckler, Mary	1029650	1NURS-FF-IN	Instructor, Nursing	SAC	6/30/2021	-	Site submitted BCF#BC8QXG0IW6 moving to Fund 41	11-0000-123010-16640-1110	1,219	
11	Stowers, Deon	2483416	1CUST-UF-SUPR	Custodial Supervisor	SAC	8/13/2020	9,548	Sophanareth Tuon Interim Assignment 7/01/21-6/30/22	11-0000-653000-17200-2110	40,506	
11	Virgoe, Brad	1055072	1CJA-AF-DIR	Director of Criminal Justice	SAC	6/30/2021	0	Site submitted BCF#BC8QXG0IW6 moving to Fund 41.	11-0000-601000-15712-1210	3,613	
11	Wall, Brenda L.	2460354	1PAG-UF-OFCR	Public Information Officer	SAC	5/18/2020	-	Dalilah Davaloz #1026125 Interim Assignment and HR approved FT MGMT benefits (7/1/21-6/30/22) CL22-00258 (CL20-00039 OLD#)	11-0000-671000-11500-2110	2,596	
11	Ward, Robert	2409846	1MAIN-UF-SUPR	Maintenance Supervisor	SAC	11/15/2021	0	Interim Assignment Miguel Rubio Lopez 11/2/21- 5/16/22	11-0000-651000-17400-2110	11,117	
11	Waterman, Patricia J.	1027281	1ART-FF-IN	Instructor, Art	SAC	6/9/2019	-	Site submitted BCF#BC8QXG0IW6 moving to Fund 41.	11-0000-100200-15510-1110	1,845	
11	Arteaga, Elizabeth	1027713	2CAR-AF-DNAC	Associate Dean, Business and Career Technical Education	SCC	2/24/2020	144,924		11-0000-601000-25205-1210-86% 11-3230-601000-25205-1210-14%	222,725	
11	Carrera, Cheryl	1027004	2MATH-FF-IN	Instructor, Math	SCC	12/15/2019	110,923		11-0000-170100-25150-1110	160,346	
11	Coto, Jennifer	1029536	2ESS-AF-DN	Dean, Enrollment & Support Services	SCC	10/13/2020	9,260	Loretta Jordan Interim Assignment 7/1/21-12/1/21	11-0000-620000-29100-1210	42,718	951,456
11	Geissler, Joseph	1027221	2LIB-NF-LIB	Librarian	SCC	3/9/2019	110,923		11-0000-612000-25430-1220	160,346	
11	Nguyen, Steven	2318451	2CHEM-FF-IN	Chemistry Instructor	SCC	8/19/2019	90,333	LongTerm sub Cody Piotrowski#2490015 for both Fall21 & Sp22	11-0000-190500-25163-1110	131,646	
11	Vakil, David	1891924	2HSS-AF-DN	Dean, Arts,Humanities and Social Sciences	SCC	6/30/2020	167,959	Jonanne Armstrong Interim Assignment extended 7/1/21-6/3/22.	11-0000-601000-25305-1210	233,677	
							779,509			1,315,760	

Fund	Classified	EMPLOYEE ID#	Position ID	Title	Site	Effective Date	Annual Salary	Notes		2021-22 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Andrade Cortes, Jorge L.	2444290	5ACCT-CF-ANYS	Senior Accounting Analyst	District	9/27/2019	54,064	BCF#BCQW50RU92 moved $10,600 to fundFMR21-651 AP Office Space. BCF#BCKPWEGDNI moved $5.00 for batteries. BCF#BCYW2L9G4X moved $47,000 to fund FMR21-651 AP Office Space	11-0000-672000-54212-2130	89,897	
11	Ayala, Jose A.	1030842	5YSP-CM-DSO6	P/T District Safety Officer	District	8/30/2020	19,587		11-0000-677000-54167-2310-60% 11-0000-695000-54167-2310-40%	20,909	
11	Benjamin, Robert	1335325	5SSP-CF-DSOS5	Sr. District Safety Officer	District	9/23/2021	55,646		11-0000-677000-54166-2130-60% 11-0000-695000-54166-2130-40%	98,509	
11	Elhadidy, Anas	2473844	5APPS-CF-SPA3F	Application Specialist III	District	2/24/2022	35,689		11-0000-678000-54144-2130	54,428	
11	Francis, DiemChau T.	2395643	5PAY-CF-SPPA1	Payroll Specialist	District	5/29/2020	-	Reorg#1219 eliminated position	11-0000-672000-54215-2130	-	
11	Lee, Patrick	1416553	5SSP-CM-DSO8	P/T District Safety Officer	District	1/24/2021	19,586		11-0000-695000-54166-2310	20,908	
11	Medrano, Miranda M.	1933132	5GCOM-CF-GRPH2	Graphic Designer	District	3/24/2020	52,450	COA Zachary Miller#2495868 eff: April 1,2022	11-0000-677000-52600-2130	87,727	563,499
11	Nguyen, James V.	2420063	5DMC-CF-CUSR	Senior Custodian/Utility Worker	District	8/6/2019	24,551	BCF#BC50WYD6M1 moved $2090, BCF#BC15DE47QP moved $25,262, BCF#BCYMJ27BSV moved $900, BCF#BCG2PAT8NB moved $1,000 BCF#BCONHEYMPV $825 BCF#BCNX2CURZE moved $500	11-0000-653000-53330-2130	50,928	
11	Perez, Celia	1222694	5ACCT-CF-ACLS2	Senior Account Clerk	District	2/11/2022	21,780		11-0000-672000-54212-2130	39,426	
11	Pita, Lazaro R.	1298807	5YSP-CM-DSO5	P/T District Safety Officer	District	11/23/2019	19,587		11-0000-677000-54167-2310-60% 11-0000-695000-54167-2310-40%	26,356	
11	Reynolds, Danielle	2286360	5PUR-CF-ASPU	Purchasing Assistant	District	1/19/2022	27,096	Esther Flores Interim Assignment 1/7/22-6/30/22	11-0000-677000-54151-2130	49,584	
11	Shipma, Phil L	1209698	5PARK-CM-DSO16	District Safety Officer	District	2/11/2021	23,258		11-0000-695000-54163-2310	24,828	
11	Amaton, Jose	1030626	1CUST-CM-CUS4	P/T Custodian	SAC	1/29/2021	19,281		11-0000-653000-17200-2310	20,582	
11	Benavides, Ricardo	1029648	1CUST-CF-CUS4	Custodian	SAC	1/15/2020	48,085		11-0000-653000-17200-2130	87,910	
11	Burke, Tamy	1460227	1MAIN-CM-CLAD	P/T Administrative Clerk	SAC	2/22/2022	12,696		11-0000-651000-17400-2310	17,084	
11	Gutierrez (Diaz), Claudia R.	1029121	10AD-CF-CLAD4	Administrative Clerk	CEC	4/5/2020	56,467		11-0000-601000-18100-2130	99,195	
25%-fd 11 75%-fd 12	Fernandez Gonzalez, Irma	1030855	1EOPS-CF-ASCN1	Counseling Assistant	SAC	2/14/2020	11,560	Marlon Cadenas#2192981 WOC/ Board docket 2/14/22	11-2250-643000-19300-2130-25% 12-2250-643000-19300-2130-64% 12-2090-643000-19300-2130-11%	21,358	
11	Flores, Rodrigo	1107246	1CUST-CF-CUS9	Custodian	SAC	1/4/2021	48,085		11-0000-653000-17200-2130	87,910	
11	Hayes, Charles F.	1026480	1CUST-CF-CUS11	Custodian	SAC	6/1/2020	48,085	CL20-00021	11-0000-653000-17200-2130	87,910	
86%-fd 11 14%-fd 12	Instructional Center Technician Reorg#1162	REORG#1162	REORG#1162	F/T Instructional Center Technician	SAC	7/1/2020	42,839	F/T Instructional Center Technician Reorg#1162. CL21-00110	11-0000-619000-15110-2130-86%	77,601	
11	Jusay, Modesto	1026710	1CUST-CF-CUS14	Custodian	SAC	6/30/2022	-		11-0000-653000-17200-2130	-	
11	Lopez, Felipe	1027162	1GRDS-CF-WKR4	Gardener/Utility Worker	SAC	12/31/2021	33,039		11-0000-655000-17300-2130	53,781	
11	Luque, Ivan	2216538	1LIB-CF-TECH1	Library Technician	SAC	3/9/2022	16,432		11-0000-612000-15915-2130	24,664	
35%-fd 11 65%-fd 31	Miranda Zamora, Cristina	1339369	1AUX-CF-SPAS3	Auxiliary Services Specialist	SAC	11/19/2019	19,764		11-0000-699000-14121-2130-35% 31-0000-691000-14121-2130-65%	34,720	1,177,995
11	Molina Valdez, Jorge A.	1030404	1CUST-CF-CUS1	Custodian	SAC	1/4/2021	48,085		11-0000-653000-17200-2130	87,910	
11	Munoz, Edward J.	1027311	1ADMS-CM-ACT	P/T Accountant	SAC	7/14/2020	28,128		11-0000-679000-17100-2310	37,849	
11	Rabot, Irene	1914065	1LIB-CF-TEC2B	Library Technician II	SAC	6/4/2021	69,997		11-0000-612000-15915-2130	95,926	
11	Ramirez, Leonardo	1379054	1MAIN-CF-WKR3	Skilled Maintenance Worker	SAC	1/3/2022	34,141		11-0000-651000-17400-2130	56,750	
11	Roman, Alfonso W	1025210	1GRDS-CF-WKR6	Gardener/Utility Worker	SAC	4/19/2021	63,075		11-0000-655000-17300-2130	110,763	
11	Shirley, Jacqueline K.	1029199	1CNSL-CF-CLIN	Intermediate Clerk	SAC	2/27/2020	46,240	CL20-1396	11-2410-631000-15310-2130	85,427	

Vacant Funded Positions for FY2021-22- Projected Annual Salary and Benefits Savings
As of April 11, 2022

Fund	Management/ Academic/ Confidential	EMPLOYEE ID#	Position ID	Title	Site	Effective Date	Annual Salary	Notes	Vacant Account	2021-22 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
40%-fd 11 60%-fd 12	Student Services Specialist	REORG#1190	REORG#1190	Student Services Specialist	SAC	12/29/2019	19,926	Reorg#1190 (Nguyen, Cang)	11-2410-632000-19510-2130-20% 11-0000-632000-19510-2130-20% 12-2416-632000-19510-2130-60%	36,096	
11	Taylor, Katherine A.	1028961	1ADM-CM-SPC1D	P/T Admissions/Records Specialist I	SAC	10/1/2020	20,630		11-0000-620000-19205-2310-30% 11-2410-620000-19205-2310-70%	27,760	
11	Velazquez, Kimberly S.	1627996	1CNSL-CM-ASCN6	P/T Counseling Assistant	SAC	7/6/2020	19,916	CL21-00218	11-2410-631000-15310-2310	26,799	
11	Banderas, Justin	1026869	2INFO-CF-TECH	Library Technician	SCC	11/11/2021	39,216		11-0000-612000-25430-2130	67,873	
11	Bennett, Lauren A.	1337295	2ADM-CF-SPC1A	Admission Records Specialist I	SCC	10/23/2020	47,918		11-0000-620000-29100-2130	87,685	
14%-fd 11 86%-fd 12	Berganza, Leyvi C	1030913	20SS-CF-SPOR1	High School & Community Outreach Specialist	OEC	3/19/2017	9,368		11-0000-649000-28100-2130-14% 12-2490-649000-28100-2130-86%	15,858	
11	Flores, Jazmine N	1870770	2ADM-CF-SPC2	Admission Records Specialist II	SCC	1/8/2021	51,831		11-0000-620000-29100-2130	92,953	
11	Gitonga, Kanana	1030388	2INTL-CF-CORD	International Student Coordinator	SCC	1/31/2019	77,091		11-0000-649000-29110-2130	126,965	**799,790**
65%-fd 13 35%-fd 12	Heim, Tracy	1463834	2COL-CM-CLIN	P/T Intermediate Clerk	SCC	8/27/2021	17,641		13-3410-709000-29200-2310-65% 12-2572-709000-29200-2310-35%	23,738	
11	Hermen, Lisa	1027710	2KNAO-CF-CLSR	Senior Clerk	SCC	3/31/2022	31,871		11-0000-601000-25131-2130	52,599	
11	Martin, Sheryl A.	1028421	20AD-CF-SECX	Executive Secretary	SCC	8/9/2021	80,411		11-0000-601000-28100-2130	127,317	
11	Meade, Paul	1670778	2GROS-CM-WKR	P/T Gardener/Utility Worker	SCC	2/4/2022	9,303		11-0000-655000-27300-2310	12,517	
11	Samodumov, Stephan	2221631	2CUS-CM-CUS5	P/T Custodian	SCC	7/17/2021	17,674		11-0000-653000-27200-2310	23,782	
11	Stevenson, Christopher	2455096	2GROS-CF-WKR2	Gardener/Utility Worker	SCC	10/15/2021	41,206		11-0000-655000-27300-2130	69,308	
11	Tran, Kieu-Loan T.	1030029	2ADM-CF-SPC3	Admission Records Specialist III	SCC	3/1/2020	56,467		11-0000-620000-29100-2130	99,195	
							1,539,762			2,541,285	
TOTAL							**2,319,271**			**3,857,045**	

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE Q

Projects Cost Summary
03/31/22 on 04/04/22

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2021-2022 Expenditures	FY 2021-2022 Encumbrances	Cumulative Exp & Enc	Project Balance	% Spent
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3035/ 3056	Johnson Student Center	59,548,222	57,166,064	1,420,657	13,755	58,600,476	947,746	98%
	Agency Cost		479,275	144,062	-	623,337		
	Professional Services		6,460,048	309,969	2,230	6,772,246		
	Construction Services		48,168,884	679,128	0	48,848,012		
	Furniture and Equipment		2,057,857	287,498	11,526	2,356,881		
3049	Science Center & Building J Demolition	70,130,861	58,630,167	1,738,203	3,478,521	63,846,891	6,283,970	91%
	Agency Cost		441,131	17,727	-	458,858		
	Professional Services		9,770,089	76,638	471,545	10,318,272		
	Construction Services		46,529,708	809,768	2,458,218	49,797,694		
	Furniture and Equipment		1,889,239	834,071	548,758	3,272,067		
	TOTAL ACTIVE PROJECTS	**129,679,083**	**115,796,231**	**3,158,860**	**3,492,276**	**122,447,367**	**7,231,716**	**94%**
CLOSED PROJECTS								
3032	Dunlap Hall Renovation	12,620,659	12,620,659	-	-	12,620,659	0	100%
	Agency Cost		559	-		559		
	Professional Services		1,139,116	-	-	1,139,116		
	Construction Services		11,480,984	-	-	11,480,984		
	Furniture and Equipment		-	-	-	-		
3042	Central Plant Infrastructure	57,266,535	57,266,535	-	-	57,266,535	0	100%
	Agency Cost		416,740	-	-	416,740		
	Professional Services		9,593,001	-	-	9,593,001		
	Construction Services		47,216,357	-	-	47,216,357		
	Furniture and Equipment		40,437	-	-	40,437		
3043	17th & Bristol Street Parking Lot	198,141	198,141	-	-	198,141	0	100%
	Agency Cost		16,151	-	-	16,151		
	Professional Services		128,994	-	-	128,994		
	Construction Services		52,996	-	-	52,996		
	Furniture and Equipment		-	-	-	-		
	TOTAL CLOSED PROJECTS	**70,085,335**	**70,085,334**	-	-	**70,085,334**	**0**	**100%**
	GRAND TOTAL ALL PROJECTS	**199,764,418**	**185,881,565**	**3,158,860**	**3,492,276**	**192,532,701**	**7,231,716**	**96%**

SOURCE OF FUNDS	
ORIGINAL Bond Proceeds	198,000,000
ACTUAL Bond Proceeds Recon Adjust.	(1,614,579)
Interest Earned	2,993,115
Interest/Expense (FY20/21)	385,881
Totals	**199,764,418**

Rancho Santiago Community College
FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary
FY 2021-22, 2020-21, 2019-20
YTD Actuals- March 31, 2022

FY 2021/20202

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	$46,370,067	$48,098,481	$35,626,271	$41,299,314	$26,342,321	$24,086,023	$50,092,877	$43,862,823	$33,377,068	$34,525,835	$34,525,835	$34,525,835
Total Revenues	11,455,546	2,902,909	21,992,122	701,517	16,658,801	40,835,472	9,174,999	7,173,633	16,255,779	0	0	0
Total Expenditures	9,727,132	15,375,118	16,319,079	15,658,510	18,915,099	14,828,618	15,405,053	17,659,388	15,107,013	0	0	0
Change in Fund Balance	1,728,414	(12,472,210)	5,673,042	(14,956,992)	(2,256,298)	26,006,854	(6,230,054)	(10,485,755)	1,148,766	0	0	0
Ending Fund Balance	48,098,481	35,626,271	41,299,314	26,342,321	24,086,023	50,092,877	43,862,823	33,377,068	34,525,835	34,525,835	34,525,835	34,525,835

FY 2020/20201

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	$38,043,629	$37,890,520	$21,377,062	$29,621,168	$20,972,596	$18,331,844	$40,829,056	$35,611,009	$21,137,122	$19,535,152	$23,813,198	$15,243,357
Total Revenues	9,803,314	(1,484,159)	24,214,797	7,145,358	15,876,235	37,159,108	7,568,219	1,329,565	13,748,589	19,224,264	5,986,870	58,955,542
Total Expenditures	9,956,422	15,029,299	15,970,692	15,793,930	18,516,988	14,661,896	12,786,266	15,803,453	15,350,560	14,946,217	14,556,711	27,828,832
Change in Fund Balance	(153,109)	(16,513,458)	8,244,105	(8,648,571)	(2,640,753)	22,497,212	(5,218,047)	(14,473,888)	(1,601,970)	4,278,047	(8,569,841)	31,126,710
Ending Fund Balance	37,890,520	21,377,062	29,621,168	20,972,596	18,331,844	40,829,056	35,611,009	21,137,122	19,535,152	23,813,198	15,243,357	46,370,067

FY 2019/2020

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
Beginning Fund Balance	$38,759,045	$46,756,827	$39,862,144	$42,643,395	$31,406,449	$32,285,576	$51,748,699	$45,395,701	$27,255,963	$27,628,258	$31,992,321	$23,555,194
Total Revenues	18,530,608	6,957,617	17,893,333	6,103,920	18,289,460	35,095,906	8,486,077	1,438,315	15,146,041	20,661,983	7,845,575	41,652,047
Total Expenditures	10,532,826	13,852,300	15,112,081	17,340,866	17,410,333	15,632,783	14,839,075	19,578,053	14,773,746	16,297,921	16,282,702	27,163,612
Change in Fund Balance	7,997,782	(6,894,683)	2,781,251	(11,236,947)	879,127	19,463,123	(6,352,998)	(18,139,738)	372,295	4,364,063	(8,437,127)	14,488,435
Ending Fund Balance	46,756,827	39,862,144	42,643,395	31,406,449	32,285,576	51,748,699	45,395,701	27,255,963	27,628,258	31,992,321	23,555,194	38,043,629

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Santa Ana College • Santiago Canyon College

DISTRICTWIDE ENROLLMENT MANAGEMENT WORKGROUP (DEMW) MEETING

AGENDA

March 4, 2022 12:00pm – 1:30pm
https://cccconfer.zoom.us/j/93768488856 or dial 1-669-900-6833, 93768488856#

I.	Welcome	
II.	*Action Items – February 4, 2022 – Informational	
III.	Intersession	Enrique Perez / Nga Pham
IV.	SAC Bottleneck Study	Cristina Gheorghe
V.	Update from College Enrollment Management Workgroups a. SAC b. SCC	Dr. Lamb / Dr. Flores
VI.	Outreach & Marketing Efforts a. SCC b. SAC	Dr. Castro / Dr. Hubbard
VII.	Update from ITS on Student Data	Jesse Gonzalez
VIII.	Other a. Membership	

Next meeting: Friday, April 1, 2022

**item attached*

Purpose of workgroup: to discuss strategic enrollment management related topics and issues from a districtwide perspective and learn how to better leverage resources districtwide to help our enrollment.

Workgroup Members:
Matthew Beyersdorf, Ashly Bootman, Dr. Melba Castro, Darlene Diaz, Dr. Marilyn Flores, Cristina Gheorghe, Jesse Gonzalez, Adam Howard, Dr. Vaniethia Hubbard, Dr. James Kennedy, Mary Law, Dr. Jeff Lamb, Thao Nguyen, William Nguyen, Enrique Perez, Nga Pham, Craig Rutan, Sarah Santoyo, John Steffens and Aaron Voelcker

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DISTRICTWIDE ENROLLMENT MANAGEMENT WORKGROUP (DEMW) MEETING

Action Items

February 4, 2022 12:00pm – 1:30pm via zoom

Present: Enrique Perez, Dr. Melba Castro, Darlene Diaz, Dr. Marilyn Flores, Cristina Gheorghe, Jorge Forero, Jesse Gonzalez, Adam Howard, Dr. Vaniethia Hubbard, Dr. James Kennedy, Dr. Jeff Lamb, Thao Nguyen, William Nguyen, Nga Pham,Craig Rutan, Sarah Santoyo, John Steffens, and Aaron Voelcker
Patricia Duenez present as record keeper.

Mr. Perez called the meeting to order at 12:04pm.

I. Welcome
Mr. Perez provided welcoming remarks and introduced Dr. Melba Castro, Vice President of Student Services at SCC and Dr. Marilyn Flores as Vice President of Academic Affairs at SCC.

II. Action Items – December 15, 2021
Action Items not included with agenda; there was a malfunction with recording. Ms. Duenez was not present at the December 15 meeting.

III. *Intersession – Comparison of Local Colleges
Discussion ensued related to intersession start dates in comparison to local colleges. Intersession and Summer data; what data would look like with a longer summer? This will be an agenda item for next meeting.
Mr. Perez will connect with Ms. Pham to pull data for intersession and summer.
Mr. Perez will circle back to Mr. Rutan.
Data will be sent out to group prior to next meeting.
Members are to look at data and come up with different strategies for discussion at next meeting.
Ms. Duenez will send members agenda attachment in Excel format.
Importance was made that data be pulled at student level.

IV. *Fall 2021 Summarized
Dr. Hubbard joined at this time.
Dr. Lamb provided next meeting date for SAC's Enrollment Management Cmte: Feb. 15.
Mr. Voelcker provided same for SCC: Feb. 16.
Vice Presidents will ensure agenda item to meetings will be to dig deeper into credit data.
The March agenda will include an update from the colleges from their respective Enrollment Management Workgroups and committees.
Mr. Gonzalez will request the project to calculate FTES data at the student level to be prioritized during the next technology operational workgroup meeting.

V. Other
Next meeting: Friday, March 4, 2022

Mr. Perez adjourned the meeting at 12:59pm

**item attached to agenda*

RANCHO SANTIAGO
Community College District

Rancho Santiago Community College District
Students Enrolled in Intersession/Summer Progression to the Following Semester by College
2019 – 2022

Semester	Santa Ana College		Santiago Canyon College	
	Students Enrolled	% of Students Enrolled in the Following Semester	Students Enrolled	% of Students Enrolled in the Following Semester
Intersession 2019	7881	52%	2739	72%
Intersession 2020	6876	56%	2550	76%
Intersession 2021	4148	79%	2269	77%
Intersession 2022*	5053	59%	2082	72%
Summer 2019	11260	49%	4403	57%
Summer 2020	8996	61%	4877	60%
Summer 2021	9242	55%	4120	59%

Source: RSCCD Research Data Warehouse

*Enrollment from Intersession 2022 to Spring 2022 at Census (due to semester currently in progress)

SANTA ANA COLLEGE
Research

BOTTLENECK STUDY

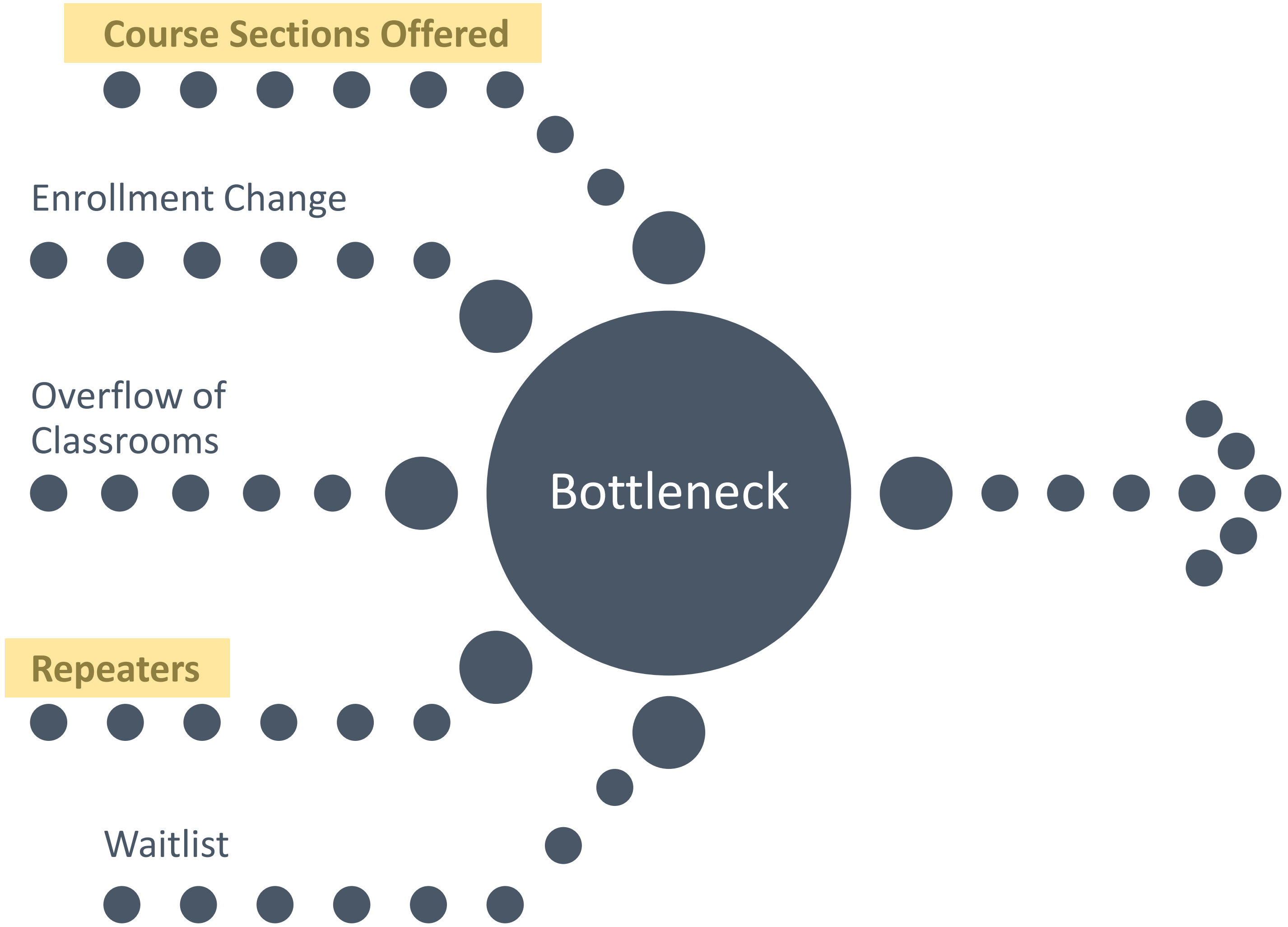
Cristina Gheorghe

REDUCING THE BOTTLENECK COURSES:

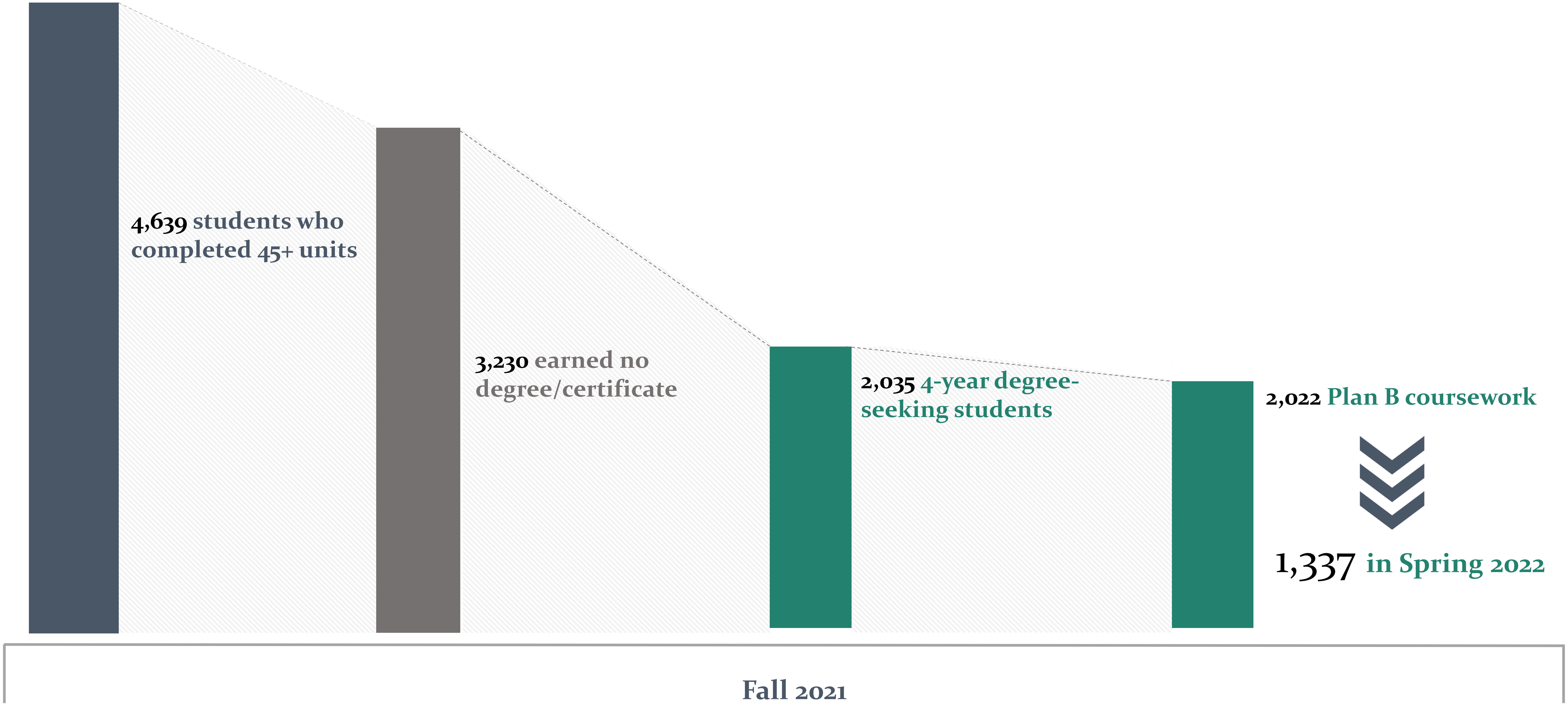
What are we trying to do here is:

- *Accelerate students' academic progression*
- *Ensure more students cross the finish line*
- *Increase student success rates*
- *Maximize SCFF points*

What causes bottleneck courses?



Bottleneck Study: Degree Audit



Spring 2022: Plan B – Course Enrollment Demand

Students' coursework (including Spring 2022) mapped to Plan B
N=1,337

Category	Course Requirement Met	Course Demand	Top Success Course
Golden Four			
A1 Oral Communication	1140	193	CMST-145 (**87%**)
A2 Written Communication	1139	194	ENGL-101 (**44%**)
A3 Critical Thinking	1236	97	CNSL-144 (**78%**)_
Arts and Humanities			
C1 Arts	1820	155	MUS-102 (**90%**)
C2 Humanities	2069	173	PHIL-108 (**82%**)
U.S. History & Constitution			
P Political Science	917	416	POLT-101(**70%**)
H U.S. History	910	423	HIST-118 (**70%**)
Lifelong Learning and Self-Development			
E1	1418	43	FDM-103 (**74%**)

An additional 353 seats are needed in the C1 or C2 area*.

**Students must complete one class from both Areas C1 and C2 and a third course from either Area (for a total of 3 classes)*

Course Availability & Shortage

Top Success Course	Course Availability	Course Shortage	Fill Rate
Golden Four			
CMST-145 (**87%**)	41	152	59%
ENGL-101 (**44%**)	223	-29	85%
CNSL-144 (**78%**)_	78	19	68%
Arts and Humanities			
MUS-102 (**90%**)	21	134	30%
PHIL-108 (**82%**)	37	136	76%
U.S. History & Constitution			
POLT-101(**70%**)	255	161	63%
HIST-118 (**70%**)	53	370	56%
Lifelong Learning and Self-Development			
FDM-103 (**74%**)	not offered	43	-

Source: RG541

- two F2F (50% & 13% fill rates)
- one online late starting class already full

- one F2F class

An additional 353 seats are needed in the C1 or C2 area*.

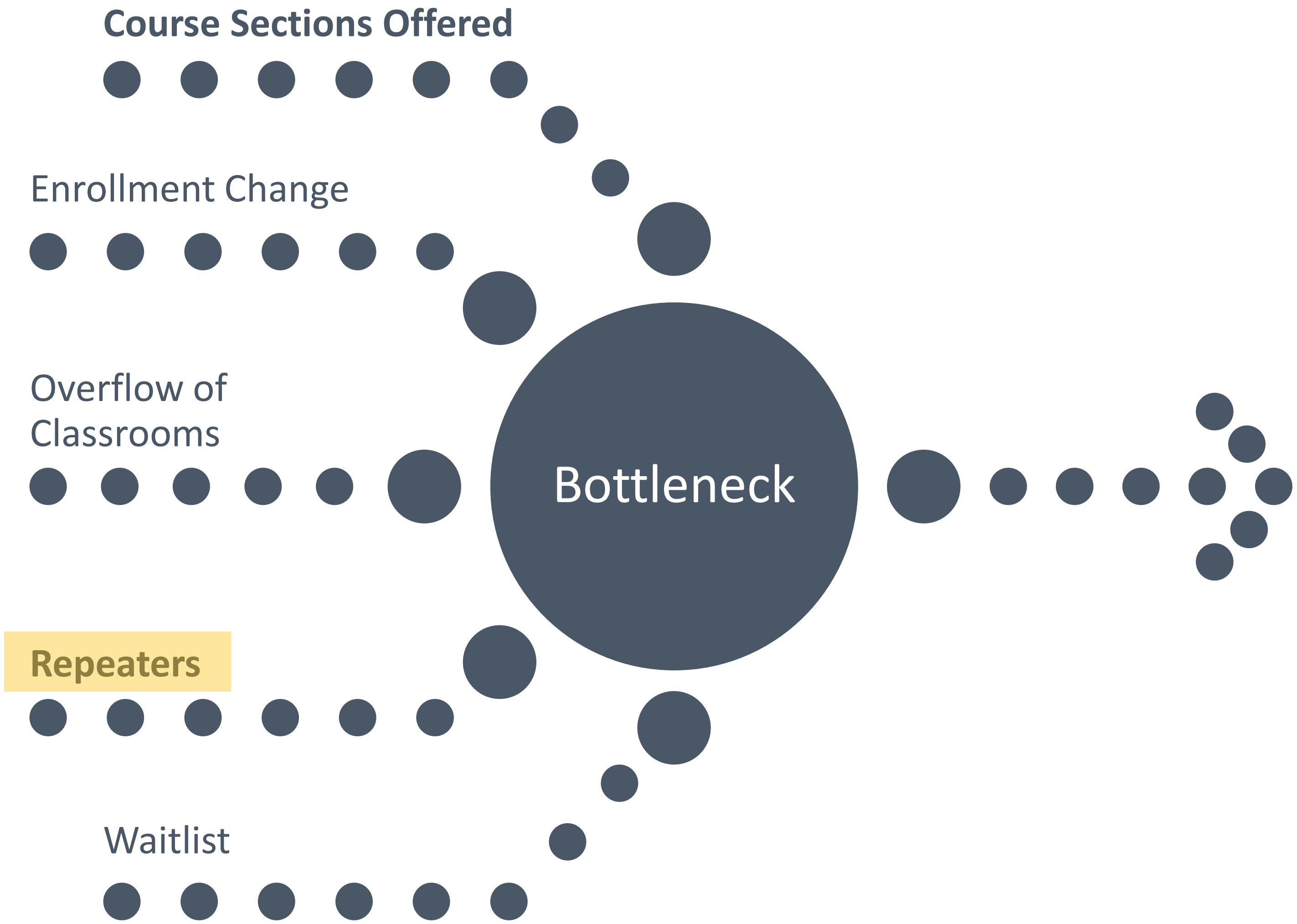
all online classes are full with the exception of one late starting class F2F (7.5% fill rate, only 3 students enrolled)

Spring 2022: Course Enrollment Demand & Availability

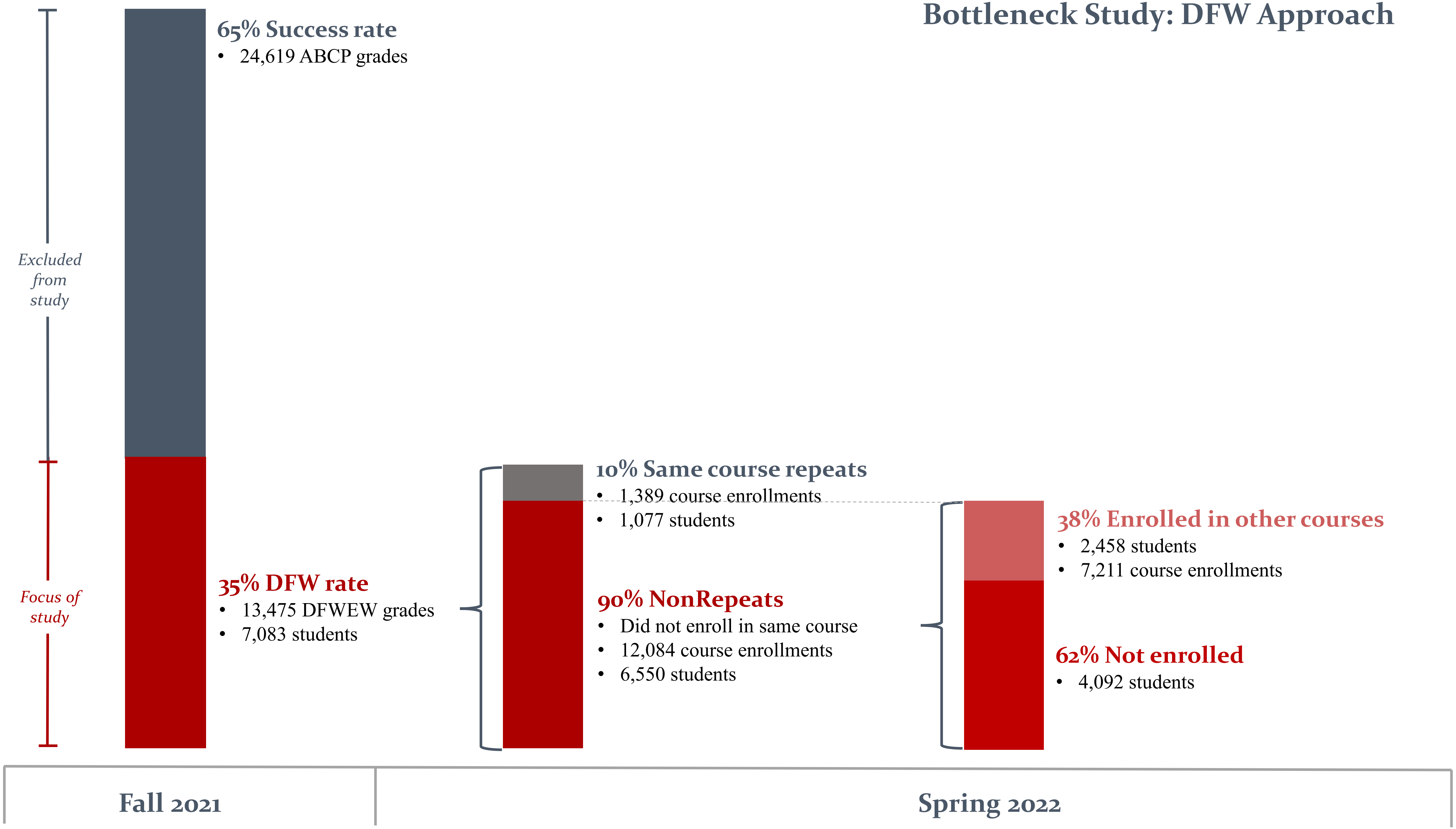
Students' coursework (including Spring 2022)
mapped to Plan B and RG541
N=1,337

Category	Course Requirement Met	Course Demand	Current Available Seats
Golden Four			
A1 Oral Communication	1140	193	175
A2 Written Communication	1139	194	84
A3 Critical Thinking	1236	97	303

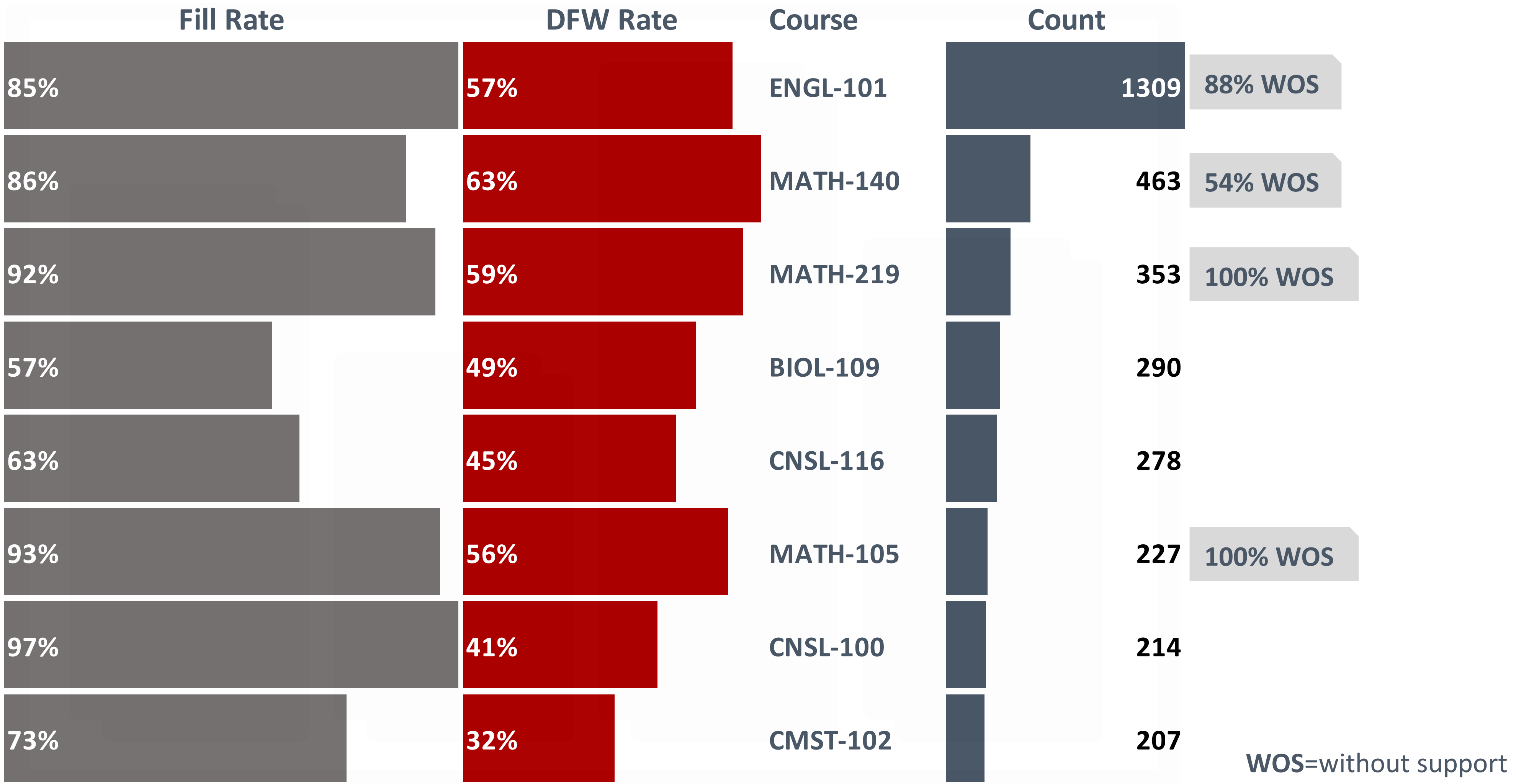
What causes bottleneck courses?



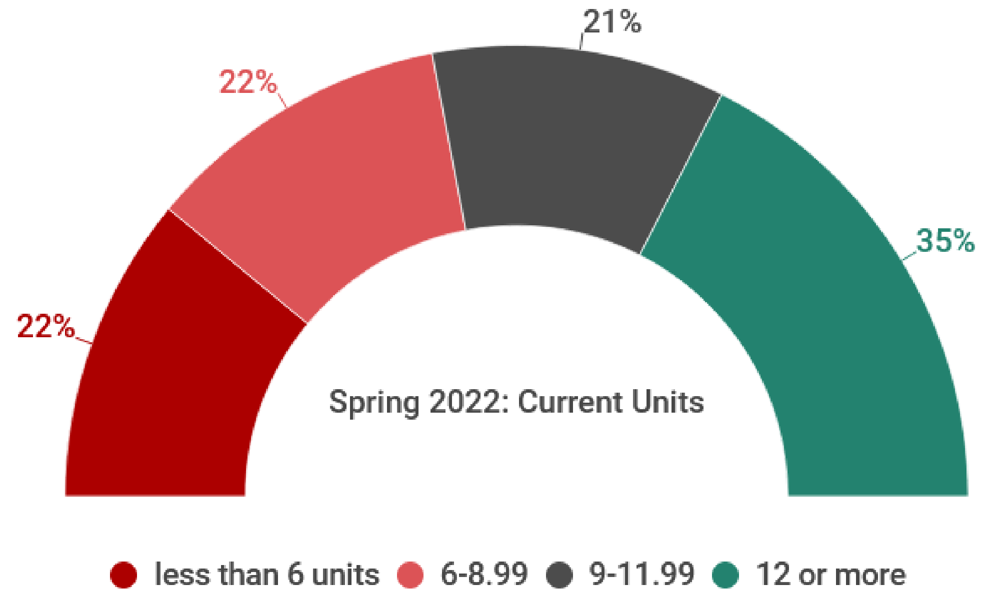
Bottleneck Study: DFW Approach

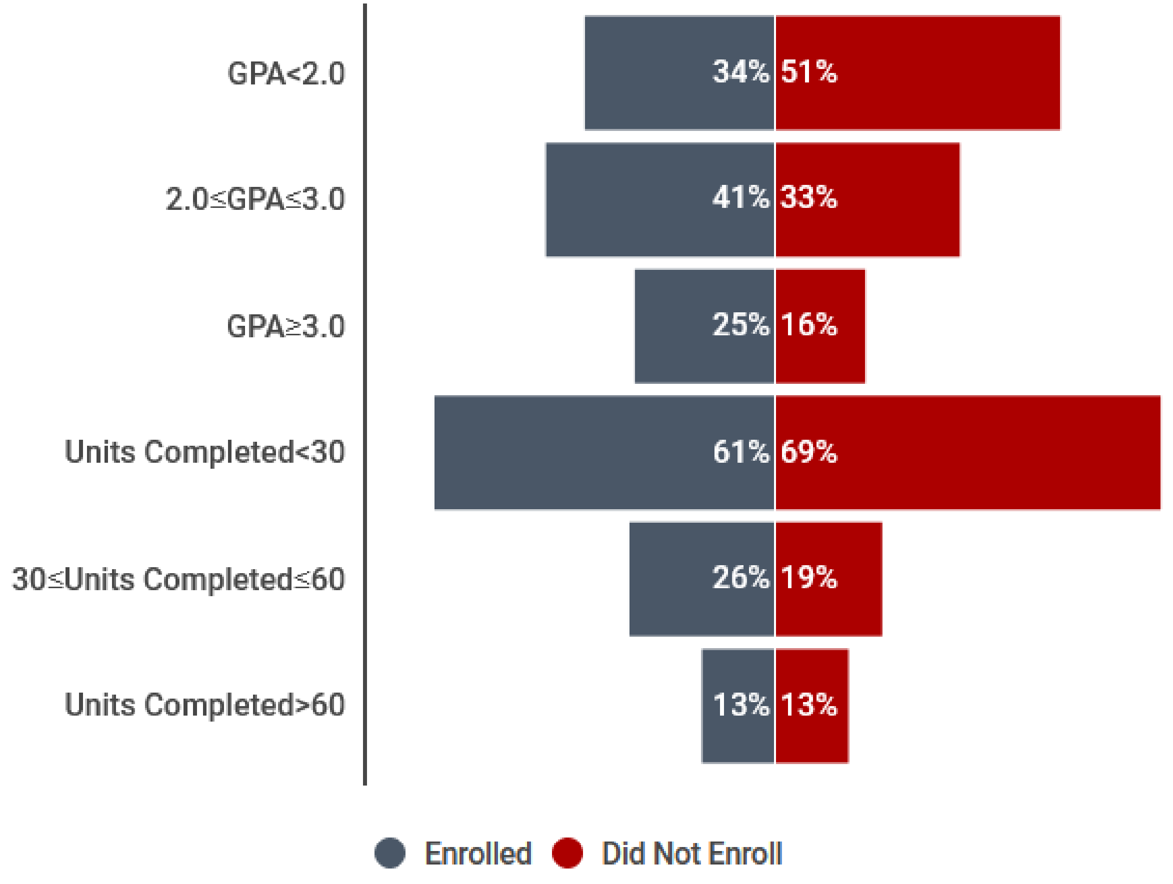


Top DFW Enrollments (N=13,475)



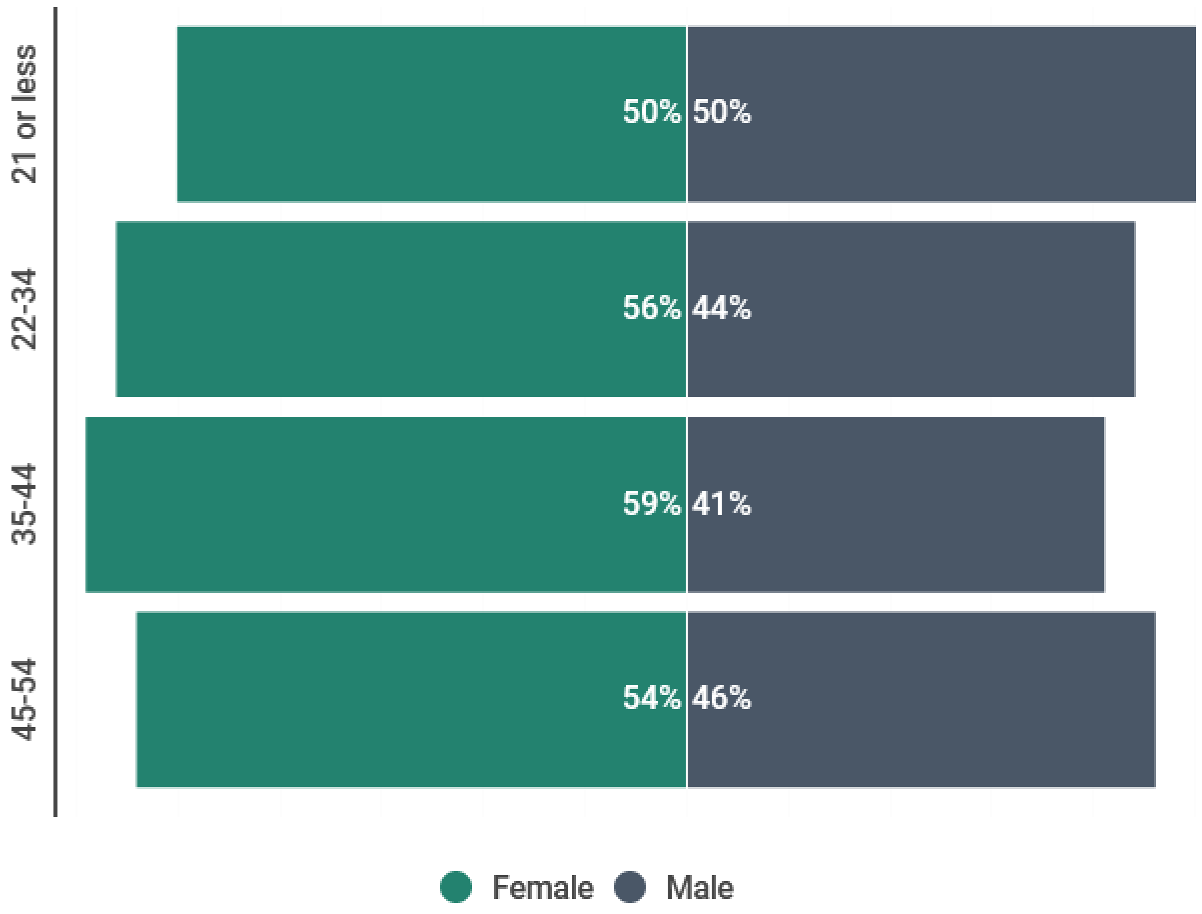
NonRepeaters in Spring 2022



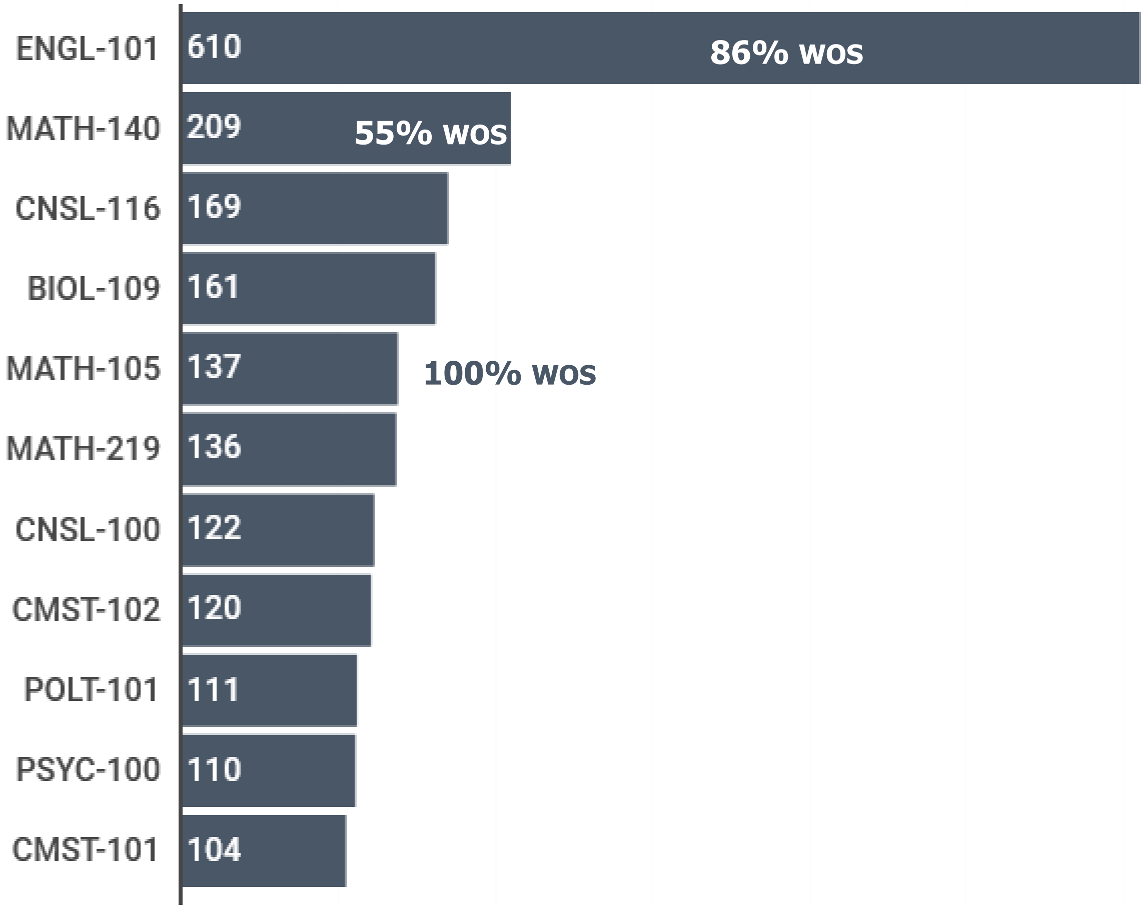


Lost Students (N=4,092)

Age and Gender Distribution



Top Fall 2021 Failed Course Enrollments



WOS=without support

Discussion

What are the next steps?

CONVERSATION WITHIN DIVISION/DEPARTMENT

FOLLOW-UP DATA INVESTIGATIONS

SUPPLEMENTAL INSTRUCTION

BEST PRACTICES

SCHEDULE PLANNING

RESOURCES

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DISTRICTWIDE ENROLLMENT MANAGEMENT WORKGROUP (DEMW) MEETING

Action Items
March 4, 2022 12:00pm – 1:30pm via zoom

Workgroup Members:
Dr. Melba Castro, Darlene Diaz, Dr. Marilyn Flores, Cristina Gheorghe, Jesse Gonzalez, Adam Howard, Dr. Vaniethia Hubbard, Mary Law, Dr. Jeff Lamb, Thao Nguyen, William Nguyen, Enrique Perez, Nga Pham, Craig Rutan, John Steffens and Aaron Voelcker
Ms. Duenez present as record keeper.

Mr. Perez called the meeting to order at 12:05pm.

I. Welcome
Mr. Perez provided welcoming remarks.

II. *Action Items – February 4, 2022 – Informational

III. *Intersession
Ms. Pham reported students enrolled in credit only. Includes career ed but not noncredit
Ms. Pham will pull additional data related to: on summer data, did students enroll in previous semester or are they really university students? Are they first time students? Does this include Academies and Apprenticeship?
Ms. Pham will pull data and send out after meeting.

IV. ***SAC Bottleneck Study**
Ms. Gheorghe: reported on bottleneck study also called gatekeeper courses as included in agenda. Waitlist students are students who are on two or more wait lists for the same course-creating uncertainty in academic plans; spoke to Math 105 and Math reorganization and integrated with content/support.
Note: Additional support (either additional lab hours, tutors, faculty hours, etc) in additional to class hours to help students pass a course. Sometime they have organized groups/teams that meet regularly to help each other. There are many strategies to help students, but they just group them as "support"
Ms. Gheorghe clarified that if it's a 3-unit class it's without support; if it's 4 units it's with support.
Mr. Steffens shared how Starfish is related to Bottleneck Study.
Dr. Flores spoke to drilling down data to see opportunities for growth. Next piece is fall to fall comparison; looking at continued growth and decline areas.
Dr. Hubbard will pull data on percentage of increase of students with educational plans and forward to Mr. Perez but has seen increase in numbers.

V. **Update from College Enrollment Management Workgroups**

a. SAC - Dr. Lamb reported on transitioning taskforce to working committee; adding dual enrollment subcommittee, combining efforts with Dr. Nery's dual enrollment

subcommittee; spoke on targeting timelines and data input ahead of timelines.
Reported on streamlining and simplifying ed planning process; plan now ready for approval at college council.
Mr. Perez provided input on presidents in agreement to starting the discussions for targets in October.
Dr. Lamb will forward timeline to Ms. Duenez to forward to group.
b. SCC: Dr. Flores reported on adjusted goals for 2024-2025 and backwards mapping those targets.
Mr. Voelcker reported on Enrollment Management Cmte, kickoff meeting on the 17th; resources, workshops and assistance provided from ACCRAO; offer extended to SCC as part of REACH Program cohort. One year to develop strategic enrollment management plan.
Data was shared from DEMW to Enrollment Management Cmte, good conversations had; cmte agreed to a more interactive report, adding modality to the analysis.

VI. Outreach & Marketing Efforts

a. SCC: Dr. Castro reported current efforts; postcard to targeted students-this compliments email/text campaign, In Reach Campaign for students that have failed courses, summer and fall campaigns. To be more competitive, opened summer and fall enrollment earlier to better align with surrounding districts; compressing registration cycles; A&R dept.'s at both colleges are meeting and discussing opening registration earlier to students.
Dr. Flores in chat: Our original "FREE Books and More" campaign was launched 2/2. I took a snapshot of enrollment on 2/1. After 7 days we had an increase of 797 headcount, 156 FTES and 1,542 seats.
Our original "FREE Books and More" campaign was launched 2/2. I took a snapshot of enrollment on 2/1. After 7 days we had an increase of 797 headcount, 156 FTES and 1,542 seats.
These changes will have a huge impact in dual enrollment for both colleges as these students are last and way to close to the first day of classes. Thank you Melba!
Dr. Flores clarified server capacity is not an issue for compressing registration cycles.
Spoke to the May 13 'College for the Entire Family Day' with K-12 and OUSD; noncredit demos, math workshops planned; event still in planning stages.
Dr. Hubbard reported SAC planning same event.
Dr. Castro will share data on capacity for transactions and server capacity.
Mr. Gonzalez requested he be kept apprised on registration timelines to keep Ellucian on watch.

b. SAC: Dr. Hubbard reported on outreach and re-engagement efforts. Incentivizing, outreach done with high schools, partnering with Congressman Correa's office on a financial aid webinar town hall on importance of financial aid; CalFRESH and assistance with EBT card, cash for credit, TikToc Tuesday competition-SAC has account. April will announce grand prize winners-1yr tuition and free parking and runner up prizes. Cash for Credit response has been favorable.
Dr. Hubbard will provide updates at next meeting on Cash for Credit.

VII. Update from ITS on Student Data

Mr. Gonzalez provided update on calculating FTES at student level, supporting SCFF and data points; scheduling meeting with Research; will have more update by next meeting.

VIII. Other

a. Membership
Ms. Duenez will reach out to Jim Isbell to confirm faculty representation from SCC.

Next meeting is scheduled for Friday, April 1, 2022

Mr. Perez adjourned the meeting at 1:29pm. **item attached*

Appendices

A: Calendar of Practices, Roles and Key Questions/Data

JULY			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
	• Fiscal Year-End wrap up • Budget for new academic/fiscal year starts • Budget Changes are submitted in preparation for our Adopted Budget • Department Chair/X-Factor assignments are finalized and funded	• Enrollment Services- Admissions and Records- onboarding registration for summer session and fall term continues. • Continue Credit registration for summer and fall terms (new & returning students); noncredit registration continues. • SCP- community recruiting. • Financial Aid- SAC student outreach. • Counseling- Assessment orientation	• 25th hour campaign- social media. • Tri-lingual radio, digital, and print. • SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts. • Interagency career education social media, completer and one more class efforts.

Important Enrollment Management Questions/Data

- Were actual instructional expenses for the fiscal year within the anticipated (budgeted) amounts? If they were over the budgeted amount, by how much- Budget Office.
- What is the projected cost and anticipated FTES for the upcoming spring schedule? - Budget and Instruction Offices.
- What are the courses in greatest demand for the future spring schedule? How much unmet demand did the recently concluded spring term generate? How many additional sections of high demand courses should be added and at what cost for the next spring schedule? - Budget and Instruction Offices.
- How well is the summer credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services.
- How well is the fall credit registration unfolding compared to former similar terms? - Enrollment Services.

<table>
<tr><th colspan="4">AUGUST</th></tr>
<tr><th>Instruction Office</th><th>Budget Office</th><th>Student Services</th><th>PR/Marketing</th></tr>
<tr>
<td>Summer Term instruction for the current academic/fiscal year ends.
Fall term instruction for the current/academic/fiscal year begins.
Curriculum updates for Spring Catalog addendum.</td>
<td>Final Adopted Budget entries are due (early August)
Final carry over budget (Fund 13/one-time funds) are presented to both colleges
Fund 13 Expenditure Plan is presented, discussed & approved by Presidents Cabinet, Planning & Budget and College Council
Budgets are frozen (mid-August) until September Board approval of Adopted Budget
President's Cabinet approves funding for Resource Allocation Request
President Cabinet members review and approve Resource Allocation Request for their respected Area's</td>
<td>Enrollment Services-Admissions and Records- registration for fall term continues.
Credit registration for fall (CAP & final days); noncredit summer registration ends.
SCP- Super strong workshops, CAPP presentations and recruiting, community recruiting.
Financial Aid- SAC student assistance.
Counseling- Assessment Orientation.</td>
<td>25th hour campaign- social media
Tri-lingual radio, digital, and print.
SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts.
Direct mail postcards to 95,000 houses (broad service area).
Santa Ana Summer Festival outreach event.
Interagency career education social media, completer and one more class effort.</td>
</tr>
<tr><td colspan="4">Important Enrollment Management Questions/Data
What is the projected cost and anticipated FTES for the upcoming winter intersession schedule? - Budget and Instruction Offices
How much FTES did the recently concluded summer schedule generate, and at what cost overall and cost per FTES compared to targets? - Budget and Instruction Offices
How well is the summer noncredit enrollment unfolding compared to former similar terms? - Enrollment Services
How well is the fall credit registration unfolding compared to former similar terms? - Enrollment Services.</td></tr>
</table>

<table>
<tr><th colspan="4">SEPTEMBER</th></tr>
<tr><th>Instruction Office</th><th>Budget Office</th><th>Student Services</th><th>PR/Marketing</th></tr>
<tr>
<td>Curriculum Committee first meeting.
Curriculum updates for Spring Catalog Addendum</td>
<td>President Cabinet members review and approve Resource Allocation Request for their respected Area’s (final approvals are due end of September)
Board Approves Adopted Budget
Budget changes can begin again
Funds are allocated for Fund 13 Expenditure Plan
Prior year Budget Performance Report is presented to Presidents Cabinet & Planning & Budget for review and analysis
Adopted Budget is presented to Planning & Budget</td>
<td>Outreach-high school application workshops, senior push, special admit, recruiting
Enrollment services noncredit and credit fall registration continues.
Assessment- high schools super strong,</td>
<td>SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts.
Mid-Autumn Festival outreach event.
Occupational Therapy Association of California (OTAC) magazine ads.
American Occupational Therapy Association (AOTA) Practice Magazine ads.
Marketing for gr8 weeks</td>
</tr>
<tr><td colspan="4">Important Enrollment Management Questions/Data

Prepare the adopted budget for the Board to approve. - Budget Office.
In the adopted budget for the current fiscal year- Establishing an average hourly cost rate applied to the prospective assignments, what are the projected expenses for hourly instructional services? - Budget Office.
What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
What is the likely cost of hourly instruction in the proposed winter intersession schedule? - Budget and Instruction Offices.
How much FTES did the recently concluded summer intersession generate, and at what cost overall and cost per FTES compared to targets? - Budget and Instruction Offices/
What are the courses in greatest demand for the future summer schedule? How much unmet demand did the recently concluded summer intersession generate? How many additional sections of high demand courses should be added and at what cost for the next summer intersession schedule? - Budget and Instruction Offices.
Given the fiscal/academic year FTES overall target, the known FTES generated from the recently concluded summer intersession, expected FTES from the recently published winter intersession schedule, and the weekly census FTES from the current fall term, what adjustments need to be made in the second run of the spring schedule?
How well is the fall credit and noncredit registration unfolding compared to former similar terms?- Enrollment Services?
</td></tr>
</table>

<table>
<tr><th colspan="4">OCTOBER</th></tr>
<tr><th>Instruction Office</th><th>Budget Office</th><th>Student Services</th><th>PR/Marketing</th></tr>
<tr>
<td>Curriculum updates for Spring Catalog addendum
Gr8 begins
Print/Publish Spring Schedule
Curriculum and Instruction Council meetings.
FTES Target setting for next academic year begins—Data</td>
<td>Resource Allocation Request approvals are funded and posted to Administrative Services website.
Next fiscal year's Budget Priorities are drafted and submitted to Planning & Budget for review and approval
Evaluate available resources to meet FTES Targets.</td>
<td>Enrollment Services-Admissions and Records-registration for winter session continues registration for spring session starts, high school application follow-up workshops.
Gr8 registration
noncredit fall registration continues
Outreach-high schools junior and senior push, CAPP presentations and recruitment.
SCP- community recruiting.
Financial Aid- workshops for high school students and parents.
Assessment- Orientations</td>
<td>Neighboring four-year institutions social, website, and digital media ads.
SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts.
Orange County Sports Zone website presence.
Daily Titan Festival outreach event.
Interagency career education social media ads.
Occupational therapy program e-blasts and social media promotional ads.</td>
</tr>
<tr><td colspan="4">Important Enrollment Management Questions/Data
What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
What is the likely cost of hourly instruction in the proposed spring schedule? - Budget and Instruction Offices.
What is the likely FTES to be generated by the proposed spring schedule? - Instruction Office.
What are the courses in greatest demand for the future summer schedule? How much unmet demand did the recently concluded summer term generate? How many additional sections of high demand courses should be added and at what cost for the next summer schedule? - Budget and Instruction Offices.
How does the known and projected FTES for the current year compare to the FTES target? - Instruction Office.
How well is the fall credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services?
For targeting, what is the current context that impacts next year's FTES target? What does the data reveal? —Academic Affairs
How much FTEF can we afford in support of the FTES and other SCFF elements generation? —Instruction Office, Budget Office, Student Services.
</td></tr>
</table>

NOVEMBER			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Planning for Fall/Intersession Schedule • Curriculum and Instruction Council meetings. • FTES Target setting for next academic year continues—Finalized	• Quarter 1 Budget Performance Report is provided to Presidents Cabinet and Planning & Budget. • Discussion continues for next fiscal year's Budget Priorities.	• Beginning of Nov- Registration for Intersession • Middle of Nov- Registration for Spring • Outreach-community recruiting. • Assessment- Orientation	• Neighboring four-year institutions social, website, and digital media ads. • SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts. • Orange County Sports Zone website presence. • Daily Titan Festival outreach event. • Interagency career education social media ads. • Occupational therapy program e-blasts and social media promotional ads.

Important Enrollment Management Questions/Data

- What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
- What is the FTES from fall term weekly and daily census classes and how well are those numbers tracking to expectations? - Instruction Office.
- What are the courses in greatest demand for the future fall schedule? How much unmet demand did the recently concluded fall term generate? How many additional sections of high demand courses should be added and at what cost for the next fall schedule? - Budget and Instruction Offices.
- What adjustments to the summer schedule for the next academic/fiscal year are yet to be made in the second run in order to achieve FTES and budget targets?- Instruction and Budget Offices.
- How well is the fall credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services?
- How well is the intersession registration unfolding compared to former similar terms? - Enrollment Services

DECEMBER			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Fall term concludes • Curriculum and Instruction Council meetings. • Schedule Production for next academic Fall term begins	• Budget Priorities are approved by Planning and Budget. These will be used to help develop next year's budget and resource allocation request • Instructional Equipment 5-year plan is prepared and submitted to the District Office for state reporting	• Enrollment Services- Admissions and Records- registration for winter session continues, registration for spring session continues, Credit winter intersession registration for CAP students; noncredit fall registration ends, spring registration continues. • Outreach-super strong workshops, CAPP presentations and recruitment, community recruiting. high school application follow-up workshops. • Assessment- Orientation workshops	• Tri-lingual radio, digital, and print. • Neighboring four-year institutions social, website, and digital media ads. • SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts. • Orange County Sports Zone website presence. • Interagency career education social media ads.

Important Enrollment Management Questions/Data

- What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
- How much FTES did the recently concluded fall term generate, and at what cost overall and cost per FTES compared to targets? - Budget and Instruction Offices.
- What are the courses in greatest demand for the future fall schedule? How much unmet demand did the recently concluded fall term generate? How many additional sections of high demand courses should be added and at what cost for the next fall schedule? - Budget and Instruction Offices.
- How well is the fall noncredit registration unfolding compared to former similar terms? - Enrollment Services?
- How well is the winter intersession registration unfolding compared to former similar terms? - Enrollment Services.
- How well is the spring credit registration unfolding compared to former similar terms? - Enrollment Services.

JANUARY			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Winter intersession starts • Schedule, Input and Proof for Fall/Intersession Schedule • Publish Spring addendum • Winter intersession concludes. • Review 1st draft of Summer and Fall schedule to evaluate potential FTES generation. • Review next year's FTES targets based on P1 and Budget assumptions.	• In-depth analysis of current year's budget performance is presented to Presidents Cabinet. How are expenses trending (any budget over-runs)/ will any adjustments be needed for spring semester? • Cabinet forwards recommendations related to budget performance to Planning & Budget for review and action if necessary. • Budget planning meetings take place between division deans/managers and the Budget Office in preparation for next year's budget • Governor delivers next year's budget proposal	• Enrollment Services-Admissions and Records- registration for winter session concludes, registration for spring term continues, Credit winter intersession registration ends; credit spring registration for CAP students; noncredit spring registration continues. • Outreach-CAPP presentations and recruitment, high school application follow-up workshops, onboarding for new students. • SCP- community recruiting. • Financial Aid-/Outreach- Promise Grant and general workshops for high school students. • Assessment-orientation workshop	• Tri-lingual radio, digital, and print. • SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts. • Postcard direct mailing to 74,000 houses- core City of Santa Ana areas. • Santa Ana City billboardsTri-lingual radio, digital, and print. • SAC audience- gotcha campus kiosks, stay connected e-blasts, social media posts. • Postcard direct mailing to 74,000 houses- core City of Santa Ana areas. • Santa Ana City billboards

Important Enrollment Management Questions/Data

- What is the projected cost and anticipated FTES for the upcoming summer intersession schedule? - Budget and Instruction Offices.
- How well is the winter intersession registration unfolding compared to former similar terms? - Enrollment Services.
- How well is the spring credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services
- Can the proposed course schedule for next academic Summer and Fall meet FTES generation targets? —Instruction Office

<table>
<tr><th colspan="4">FEBRUARY</th></tr>
<tr><th>Instruction Office</th><th>Budget Office</th><th>Student Services</th><th>PR/Marketing</th></tr>
<tr>
<td>Spring term begins
Final proof of Fall/Intersession Schedule
Curriculum updates for catalog two years out
Curriculum and Instruction Council meetings.</td>
<td>Quarter 2 Budget Performance Report is provided to Presidents Cabinet and Planning & Budget
Budget planning meetings take place between division deans/managers and the Budget Office in preparation for next year’s budget
Next Fiscal Year’s Resource Allocation Request workbook is provided to Presidents Cabinet. Cabinet distributes to appropriate managers. Prioritized RAR’s are due back to the Budget Office 1st week in June</td>
<td>Enrollment Services-Admissions and Records-credit and noncredit registration for spring term continues, high school application follow-up workshops.
Outreach-Junior push workshops, CAPP presentations and recruitment.
SCP- community recruiting.
Financial Aid/Outreach Promise Grant and general workshops for high school students.
Assessment-orientation workshop</td>
<td>SAC audience- welcome campus kiosks, stay connected e-blasts, social media posts.
Santa Ana City billboards.</td>
</tr>
<tr><td colspan="4">Important Enrollment Management Questions/Data
What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
What adjustments might need to be made in the fall schedule for the upcoming academic/fiscal year in order to achieve FTES and budget targets? - Instruction and Budget Offices.
How much FTES did the recently concluded winter intersession generate, and at what cost overall and cost per FTES compared to targets? - Budget and Instruction Offices.
What is the FTES from spring term weekly and daily census classes and how well are those numbers tracking to expectations? - Instruction Office.
Given the fiscal/academic year FTES overall target, the known FTES generated from the recently concluded summer and winter intersessions, fall term, and the weekly census FTES from the current spring term, how does the annual FTES compare to the annual target?
How well is the spring credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services.</td></tr>
</table>

MARCH			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Curriculum and Instruction Council meetings. • Curriculum updates for catalog two years out • Build Intersession • Print/Publish Fall Schedule beginning of March • Planning for Spring/Summer Schedule • Print/Publish Summer Schedule	• Development of SAC's Tentative Budget begins (due to district office in April) • District's purchasing deadline (purchase requisitions) are usually due in March/ April but are subject to change • Technology Investment Budget from SACTAC (computer replacement, software and media systems equipment needs) are submitted and discussed at Planning & Budget	• Enrollment Services- Admissions and Records- registration for spring term concludes, noncredit spring registration continues • Fall priority registration begins • SCP- Super strong workshops, career and program presentations, CAPP presentations and recruitment, Kindercaminata at SAC • SCP- community recruiting • Financial Aid- Promise Grant and general workshops for high school students • Assessment-orientation workshop • Early Decision begins	**Promote Gr8 weeks**

Important Enrollment Management Questions/Data

- What is the projected cost and anticipated FTES for the upcoming fall schedule? - Budget and Instruction Offices
- What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office
- Given the fiscal/academic year FTES overall target, the known FTES generated from the concluded summer and winter intersessions, fall term, and the weekly and daily census FTES from the current spring term, how does the annual FTES compare to the annual target?
- How well is the spring noncredit registration unfolding compared to former similar terms? - Enrollment Services

<table>
<tr><th colspan="4">APRIL</th></tr>
<tr><th>Instruction Office</th><th>Budget Office</th><th>Student Services</th><th>PR/Marketing</th></tr>
<tr>
<td>Curriculum and Instruction Council meetings.
Curriculum updates for catalog two years out
Schedule, Input and Final Proof Spring/Summer Schedule- after Spring Break</td>
<td>Tentative Budget is submitted to the district office
Tentative Budget is forwarded to Planning & Budget for review. Discussion and any recommendations take place at May meeting.</td>
<td>Enrollment Services- Admissions and Records- registration for fall term continues, high school application follow-up workshops, early decision activities.
Summer registration begins
credit priority registration for fall continue; noncredit spring registration continues.
SCP- community recruiting.
Financial Aid/Outreach Promise Grant and general workshops for high school students.</td>
<td>No Actions</td>
</tr>
<tr><td colspan="4">Important Enrollment Management Questions/Data
What are the anticipated expenses for hourly instruction in the upcoming academic/fiscal year? - Budget and Instruction Offices.
What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
How well is the spring noncredit registration unfolding compared to former similar terms? - Enrollment Services.
How well is the fall credit registration unfolding compared to former similar terms? - Enrollment Services.</td></tr>
</table>

MAY			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Curriculum and Instruction Council meetings. • Curriculum updates for catalog two years out • Print /Publish Fall Catalog	• Quarter 3 Budget Performance Report is provided to Presidents Cabinet and Planning & Budget • Governor's "May Revise" is presented	• Enrollment Services-Admissions and Records-registration for summer term continues • registration for fall continues; noncredit spring registration ends, Outreach-high school application follow-up workshops, early decision activities, community recruiting. • Financial Aid/Outreach Promise Grant and general workshops for high school students.	**No Actions**

Important Enrollment Management Questions/Data

- What are the finalized the expenses for hourly instruction in the upcoming academic/fiscal year? - Budget and Instruction Offices.
- What curriculum proposals need approval in Sacramento after the Board of Trustees approves? If they were forwarded immediately how quickly could they be chaptered and incorporated into a catalog addendum and scheduled classes? - Instruction Office.
- How well is the spring noncredit registration unfolding compared to former similar terms? - Enrollment Services.
- How well is the summer credit registration unfolding compared to former similar terms? - Enrollment Services.
- How well is the fall credit registration unfolding compared to former similar terms? - Enrollment Services.
- Review and evaluate next academic year FTES target based on "May Revise". Growth funds? —Instruction Office

JUNE			
Instruction Office	**Budget Office**	**Student Services**	**PR/Marketing**
• Spring term ends. • Summer session starts.	• Board approves Tentative Budget. • Prioritized Resource Allocation Request are due (1st week of June) to the Budget Office. • Final review of Tentative Budget for Adopted Budget adjustments take place between the Budget Office and college.	• Enrollment Services- Admissions and Records- registration for summer term continues, registration for fall term continues, early decision make-up activities. • noncredit registration for summer continues. • Outreach-community recruiting.	**No Actions**

Important Enrollment Management Questions/Data

- Present the tentative budget for next the academic/fiscal year to the Board for adoption. - Budget Office
- How much FTES did the recently concluded spring schedule generate, and at what cost overall and cost per FTES compared to targets? - Budget and Instruction Offices
- How well is the fall credit registration unfolding compared to former similar terms? - Enrollment Services
- How well is the summer credit and noncredit registration unfolding compared to former similar terms? - Enrollment Services

DRAFT

Fiscal Resources Committee

Via Zoom Video Conference Call
1:35 p.m. – 2:21 p.m.

Meeting Minutes for February 16, 2022

FRC Members Present: Iris Ingram, Steven Deeley, Noemi Guzman, Safa Hamid, Bart Hoffman, Cristina Morones, Adam O'Connor, Craig Rutan, and Arleen Satele

FRC Members Absent: Morrie Barembaum, Yara Hernandez, Jim Isbell, William Nguyen, Enrique Perez, and Vanessa Urbina

Alternates/Guests Present: Erika Almaraz, Jason Bui, Melba Castro, Vaniethia Hubbard, Kelvin Leeds, Thao Nguyen, Mark Reynoso, Kennethia Vega and Barbie Yniguez

1. Welcome: Ingram called the meeting to order at 1:35 p.m. via zoom and welcome remarks were made with an introduction of Dr. Melba Castro, new Vice President of Student Services at SCC.

2. State/District Budget Update
   - SSC – LAO Analyzes Governor's 2022-23 State Budget
   - SSC – Ask SSC… Does the Staffing Executive Order Help Colleges?
   - SSC – LAO Expects Higher COLA in May
   - SSC – Ask SSC… Historical Contribution Rates for CalSTRS and CalPERS
   - SSC – SCFF Hold Harmless Provision Language Released
   - SSC – CalPERS Rates Projected to Decrease
   - SSC – Dartboard 2022-23 Governor's Budget
   - SSC – Governor Newson Proposes Changes to Expand Dual Enrollment
   - CCC – Fiscal Forward Portfolio and Budget Architecture and Development Recommendations

   Ingram referenced the above handouts. She briefly discussed the various updates, analysis, and information as it relates to the 2022/23 budget. She specifically pointed out the hold harmless provision language and the fiscal cliff scheduled to occur FY 2024/25 when all colleges are to return to pre-pandemic and 2017-18 enrollment numbers, otherwise be re-benched to a lower level of FTES that comes with a drastic impact to the base funding. The proposed language would cushion the fiscal cliff transition by setting FY 2024/25 as a new floor with funding that would not dip below, but could rise above; as a district with increasing enrollment that is good news for RSCCD. She also discussed PERS/STRS contributions and the projected slowdown of those rate increases. That will assist RSCCD managing costs which has threatened to outstrip the proposed COLA; PERS is proposed to increase by 3.1% and STRS by 2.1% which would wipeout the proposed COLA of 5.33%. More will be known at the May revise. In conclusion, Ingram referenced the proposed changes to expand dual enrollment which is a big help to RSCCD and our FTES numbers.

   O'Connor noted the Joint Analysis – Governor's January Budget Update & Trailer Bills that is posted on the FRC website for further reference and information. This analysis was released on February 10, 2022.

3. 2022/23 RSCCD Tentative Budget Assumptions - **Action**
   O'Connor provided a detailed review of the tentative budget assumptions for 2022/23. He noted this is the starting point for the budget and these assumptions will change as the May revise or other actions require an adjustment in the numbers.

In reviewing the revenue section, O'Connor explained that RSCCD budgets under the SCFF at the hold harmless provision, meaning budgets are developed using the 2017/18 TCR (total computational revenue) plus COLA adjustments as RSCCD is not earning above the hold harmless number. In approximately 10 days, the 2020/21 Recal funding should be known to provide a clear picture of revenue. The Governor's proposed COLA of 5.33% is used, though there is talk the percentage may increase, at this time it produces approximately $9.8 million for RSCCD. O'Connor also discussed and explained the deficit factor which is when the State is unable to pay 100% of the owed revenue and instead provides a portion. The State Chancellor's Office annually projects a percentage, say within 0-2% that may be deficit (potential reduced funding). Being conservative RSCCD projects 2% and that automatically reduces the amount of projected revenue budget. When the State does have enough funds, that revenue is booked at that time. At this time, the deficit factor is projected at $3.9 million. EPA funding is estimated at $36.6 million. This is not additional funding but a portion of the funds received for TCR. Lottery is projected at $163 per FTES and restricted lottery at $65/per FTES. This is a little bump and will change through the cycle. No changes to E, F, G, or H. Other revenue: non-resident tuition is being reduced by $200,000; SCC has made their budget in the current year, SAC has not. If SAC has additional higher projections, that number can be updated. Interest earnings are estimated at $800,000 a decrease of $200,000 as a result of rates continuing to fall. No changes to other miscellaneous income or apprenticeship revenue. Scheduled maintenance/instructional equipment is projected at $8.5 million. Full-time faculty hiring allocation is earning over $2 million new revenue. Ingram explained that the $2 million does not translate into the number of new faculty hired year-to-year.

O'Connor continued to review the expenditures noting the district's budget model is a revenue allocation model and revenues flow through the model to the colleges as earned. It is the responsibility of the colleges to budget all necessary expenditures. The proposed COLA of 5.33% is set aside for all bargaining units subject to negotiations; that is approximately $8 to provide that COLA. Step/column movement is budgeted at $1.8 million and fluctuates from year-to-year. Health and Welfare benefits is budgeting a small increase for active employees estimated at 3.5% and no increases for retiree health benefits as they are moving to Medicare plans; though it is potential to see a reduction. State unemployment insurance has for many years been at .05% but due to the pandemic the current year increased to .50% and that is expected to go down to .20%. The current year differential was charged to HEERF allocation to offset that cost. It has been determined this will be an ongoing increased cost and affect the general fund. PERS/STRS are proposed to increase and those projected rates are used for this assumption. STRS projected increase is 19.10% at $1.7 million and PERS is 26.10% at $1.2 million. O'Connor further reviewed the Dartboard noting unemployment factor to remain at .50% (instead of .20% until 2023-24) and PERS increase to be 25.40% instead of the projected 26.10% which essentially offset each other and therefore no additional changes were made to budget assumptions. It is not anticipated that HEERF allocation will be used for unemployment insurance as it is not pandemic related but a lingering affect. Full-time faculty obligation includes 10 new faculty charged to unrestricted general funds with 7 at SAC and 3 at SCC. Each college is hiring one additional position through the restricted program as well, for a total of 12 faculty hires. Retiree benefits includes good news through the actuarial study with a calculated Employer Contribution Target (ECT formerly ADC and ARC before that) at $6.4 million which is less than current pay as you go. As a result of the irrevocable trust, assets have increased, and therefore the district will decrease the employer payroll contribution from 2% to 0% of total salaries to the Retiree Health Benefits Fund. This provides a savings of just about $2.4 million. Nothing changed to categories H, I, J, or K. Other additional DS/Institutional Cost expenses have been requested to support travel for trustees and the chancellor as conferences are initiated for in-person attendance once again, legal fees and two new positions in HR to deal with backlog of recruitments. Last assumption is the one-time allocation and this becomes the 6th allocation to the ADA settlement out of an estimated total of 10 years.

O'Connor completed the review of the budget assumptions with a recap of revenues and expenditures that includes a total of $10.3 million in new ongoing revenue; deficit factor at ($195,827); lottery increase at $58,532; reduction in non-resident tuition and interest earnings, no change to apprenticeship or miscellaneous income, and full-time faculty allocation at nearly $2 million (by matching ongoing revenue with the cost of hiring 10 new faculty minus the hourly faculty reduction). Expenditures include $13 million in new expenditures consisting of $8 million for 5.33% COLA, step/column at $1.8 million, PERS/STRS increases, state unemployment increases, increase to health and welfare for active employees, reduction in retiree health benefits, ITS licensing escalation costs and the new DS/institutional costs as previously discussed. That would provide a $2.7 million ongoing deficit added to current year structural deficit of $2.3 million leaves at total deficit just over $5 million. Ingram explained a structural deficit is when expenditures outpace income. O'Connor continued with the last recap of how the district will cover the structural deficit through SRP/Right Sizing reserve account with estimated ending balance in June 30, 2022 at just under $9.6 million and estimated ending balance in June 2023 at $9.4 million. The SRP/Right Sizing reserve should likely carry RSCCD through the next few years. Ingram suggested vacancies created by the SRP should not be filled in order to capture the savings as projected and accomplish goal of freeing up dollars through those retirements and allow campuses to restructure their areas.

A motion by Bart Hoffman and seconded by Noemi Guzman to adopt the tentative budget assumptions for fiscal year 2022-23 passed with no opposition or abstentions.

4. Projected 2021-22 Year-end Balances – Satele, Hoffman and O'Connor
   Satele reported the projected ending balance for SCC will be conservatively in the black especially with the assistance of HEERF allocation. Fund 11 is projected to have savings of $826,000 and Fund 13 $1.8 million. Because of HEERF, SCC is able to survive. Previous years, SCC barely makes it, but this year is going to be really strong for next year.

   Hoffman reported the projected ending balance for SAC Fund 11 is approximately $2.2 million and combined with Fund 13 for a total of approximately $6.1 million.

   O'Connor reported the projected unspent expenditure budget for district services is about $750,000 that doesn't carryover, but flows back through the model to the two colleges. The income is unknown at this time.

   Ingram explained the projected ending balances will be visited every month through the end of the fiscal year as it is folded into the tentative budget. As a reminder, a tentative budget is required to be presented to the Board of Trustees before June 30 and gives legal authority to spend funds after July 1. By law a balanced budget is required as of June 30 to begin the fiscal year on July 1. The final adopted budget doesn't occur until after July when the Governor signs the budget; the adopted budget is required by September.

5. BAM Review Taskforce
   O'Connor suggested a small number of members volunteer to serve on the review taskforce to bring forth changes to the BAM for FRC consideration. The work would be conducted over the next couple of months. The following members volunteered to serve on the taskforce: Bart Hoffman, Arleen Satele, Craig Rutan, Steven Deeley, and Cristina Morones. It was thought that William Nguyen and Jim Isbell may also want to serve as volunteers on the taskforce. O'Connor will follow-up with details for a future meeting schedule of the taskforce and outreach to those not in attendance of today's meeting.

6. Standing Report from District Council - Craig Rutan
   Craig Rutan provided a brief report on the actions of District Council including primary action to approve two new positions in HR to assist with the backlog of activities and the massive reorganization

in that department. An emergency meeting was conducted last Friday, February 11 to consider and approve these two new positions that are now in the budget assumptions. It is hoped these positions will assist with the backlog and hiring of adjunct faculty. The next District Council meeting is in March.

7. Informational Handouts
   - District-wide expenditure report link: https://intranet.rsccd.edu
   - Vacant Funded Position List as of February 8, 2022
   - Measure "Q" Project Cost Summary as of January 31, 2022
   - Monthly Cash Flow Summary as of January 31, 2022
   - SAC Planning and Budget Committee Agendas and Minutes
   - SCC Budget Committee Agendas and Minutes
   - Districtwide Enrollment Management Workgroup Minutes

   Information handouts above were referenced for further review. Ingram reported the Board is considering a new bond measure for the general election in November 2022. At the Board meeting on Monday, the Board heard a fairly in-depth presentation on enrollment, including comparison data for surrounding area and state-wide. SAC is taking the lead and also the district as a whole is fourth in terms of size and growth. Virtually all other community colleges have lost significant enrollment where RSCCD has increased. Hopefully the trend will continue and RSCCD will grow more and out of hold harmless by 2024-25.

8. Approval of FRC Minutes – January 19, 2022
   A motion by Arleen Satele was seconded by Bart Hoffman to approve the minutes of the January 19, 2022 meeting as presented. There were no questions, comments or corrections and the motion passed with one abstention by Cristina Morones.

9. Other

   Next FRC Committee Meeting:
   The next FRC meeting is scheduled for Wednesday, March 16, 2022, 1:30-3:00 p.m.

   It was moved by Cristina Morones and seconded by Adam O'Connor to adjourn the meeting at 2:21 p.m. The motion passed unanimously.