



# Fall 2019 Opening Day Budget Update



August 16, 2019

Diana Keelen, Chief Business Official

*"The budget is not just a collection of numbers, but an expression of our values and aspirations."  
~ Jacob Lew*



# Topics

- Summary of Community College Budget
- Student Centered Funding Formula (SCFF)
- 2018-2019 Estimated Actuals
- 2019-2020 Draft Adopted Budget



# 2019-2020 Governor's Budget Themes

- Effective Government
  - Eliminating debts and paying down liabilities
  - Reversing deferrals
  - Building up Reserves
- Affordability and Opportunity
  - Funding for low income families
  - Increasing K-12 funding per pupil
  - Investing in Special Ed Programs
  - Fund first years of community college for first time, full time students
- Justice and Dignity
  - Supporting local governments in assisting with the homelessness epidemic and mental health issues
  - Significant investment in preventing and mitigating the homelessness epidemic
  - Health care for undocumented immigrants



# Summary of CA Community College Budget

**Table 5: California Community Colleges Funding by Program at 2019 Budget Act<sup>a</sup> (In Millions)**

Program	2018-19 Revised	2019-20	Change		Explanation of change
			Amount	Percent	
Student Centered Funding Formula	\$7,165	\$7,430	265	3.69%	COLA, enrollment growth, minimum revenue provision
Student Equity and Achievement Program	475	475	-	-	
Strong Workforce Program	255	248	-7	-2.75%	Remove \$7 one-time, \$7 in 2019-20 is from one-time sources
Student Success Completion Grant	132	150	18	13.98%	Adjust for revised estimates of recipients
Adult Education Program	131	135	4	3.14%	COLA (does not apply to \$5 million for data system)
Disabled Students Programs and Services (DSPS)	120	124	4	3.26%	COLA
Extended Opportunity Programs and Services (EOPS)	112	116	4	3.26%	COLA
California College Promise (AB 19)	46	85	37	79.4%	Remove \$4 for revised estimates of recipients, add \$42.5 expansion
Financial aid administration	92	76	-16	-17.28%	Remove \$14 one-time, adjust for revised estimates of fee waivers
Full-time faculty hiring	50	50	-	-	
CalWORKs student services	45	47	1	3.26%	COLA

Source: California Community College Joint Analysis, State Budget Update: Enacted 2019-2020 Budget, June 28, 2019



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Program	2018-19 Revised	2019-20	Change		Explanation of change
			Amount	Percent	
Apprenticeship (CCC districts)	53	44	-9	-17.13%	Remove \$10 one-time, COLA
Integrated technology	42	42	-	-	
Mandates Block Grant and reimbursements	33	34	1	1.85%	COLA, revised enrollment estimates
Institutional effectiveness Initiative	29	28	-1	-4.78%	Remove one-time funding
Part-time faculty compensation	25	25	-	-	
Online education Initiative	58	23	-35	-60.34%	Remove one-time funding
Economic and Workforce Development	23	23	-	-	
NextUp (foster youth program)	20	20	-	-	
Calbright College (online college)	120	20	-100	-83.33%	Remove one-time funding
Cooperative Agencies Resources for Education (CARE)	16	17	1	3.26%	COLA
Lease revenue bond payments	32	16	-16	-49.00%	Adjust for actual obligations
Deferred maintenance and instructional equipment (one time)	28	14	-14	-48.21%	Remove and add one-time funding
Nursing grants	13	13	0	-	
Part-time faculty office hours	62	12	-50	-80.42%	Remove one-time funding
Veterans Resource Centers	13	10	-3	-38.46%	Remove one-time funding and augment

Source: California Community College Joint Analysis, State Budget Update: Enacted 2019-2020 Budget, June 28, 2019





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Program	2018-19 Revised	2019-20	Change		Explanation of change
			Amount	Percent	
Student housing program	-	9	9	-	Funding for new program
Foster Parent Education Program	5	6	0	7.61%	Backfill federal funding (\$0.4 million)
Childcare tax bailout	4	4	0	3.26%	COLA
Other <sup>b</sup>	3	3	-	2.66%	
Equal Employment Opportunity Program	5	3	-2	-43.39%	Remove one-time funding (EEO Fund)
Umoja	3	3	-	-	
Mathematics, Engineering, Science Achievement (MESA)	2	2	-	-	
Puente Project	2	2	-	-	
Middle College High School Program	2	2	-	-	
College-specific allocations	16	11	-5	-	Remove and add one-time funding
One-time program funding <sup>c</sup>	31	9	-22		Remove and add one-time funding
K-12 passthroughs (adult ed, K-12 apprenticeship, workforce)	621	606	-15	-2.42%	Remove one-time funding, COLA
<b>Totals</b>	<b>\$9,884</b>	<b>\$9,937</b>	<b>\$49</b>	<b>0.49%</b>	

<sup>a</sup> Table reflects total programmatic funding for CCC, including amounts from prior years available for use in the years displayed.

<sup>b</sup> Other programs include Academic Senate, transfer, FCMAT, and part-time faculty health insurance.

<sup>c</sup> In 2018-19, includes one-time allocations for hunger-free campus, mental health services and training, re-entry grant program, and open educational resources. In 2019-20, includes basic needs programs, re-entry grant program, teacher credentialing partnerships, and assessment of college-based food programs.

COLA = cost-of-living adjustment.



# Student Centered Funding Formula

## Year 1:

70% Base (Enrollment) 3 year average FTES  
20% Supplemental Grant  
10% Student Success Initiative Grant

## Year 2: - On Hold Using Year 1 per Gov Proposal

65% Base (Enrollment)  
20% Supplemental Grant  
15% Student Success Initiative Grant

## Year 3:

60% Base (Enrollment)  
20% Supplemental Grant  
20% Student Success Initiative Grant

- Hold Harmless held to 2017-2018 levels plus COLA for 3 years
- Noncredit & CDCP separate
- Oversight Council created (Governor's Rep, Senate Rules Committee & Speaker)
- Basic Skills, SSSP & Student Equity Combined into one allocation called the Student Equity & Achievement Program



# 2018-2019 Estimated Actuals Unrestricted

	<u>2018-2019</u> <u>Estimated Actuals</u>
Beg. Balance	\$10,716,881
Revenue	\$77,384,075
Expenses	\$73,782,167
Ending Fund Balance	\$14,318,789
Surplus/(Deficit)	\$ 3,601,908
One Time Committed Funds & Assigned Reserves	\$ (500,000)
Unassigned Ending Fund Balance	\$ 13,818,789
Reserve %	19.4%





ANTELOPE  
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# 2019-2020 Draft Adopted Budget Unrestricted

	<u>2019-2020 Draft Adopted Budget using 17-18 TCR base plus COLAs</u>	<u>2019-2020 Draft Adopted Budget using new SCFF Formula</u>
Beg. Balance	14,318,789	14,318,789
Revenue	72,726,772	83,336,198
Expenses*	77,228,028	77,228,028
Ending Fund Balance	9,817,533	20,426,960
Surplus/(Deficit)	(4,501,256)	6,108,171
One Time Committed Funds & Assigned Reserves	(500,000)	(500,000)
Unassigned Ending Fund Balance	9,317,533	19,926,960
Reserve %	12.7%	26.5%

\* Expenses only include board approved negotiation agreement with classified and CMSA