

Grossmont-Cuyamaca Community College District

2021/2022 Adoption Budget

September 14th , 2021

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Interim Vice Chancellor – Business Services

2021/2022 GCCCD Adoption Budget Assumptions

- Based on Final Approved State Budget
- Includes 5.07% Cost of Living Adjustment (COLA)
 - \$5.8 million
- Includes 1% revenue deficit
 - \$1.2 million

Summary of Operations and Ending Balances - UGF

	<u>2020/2021</u>	<u>2019/2020</u>
• Beginning Balance	\$ 14.9 M	\$ 12.8 M
• Plus: Estimated Revenue	\$121.0 M	\$128.0 M
• Less: Estimated Expenses	\$114.7 M	\$126.0 M
• Less: Contingency Reserve	\$ 9.0 M	\$ 8.9 M
• Less: Purchase Order C/O	\$ 1.9 M	\$ 1.5 M
• Net Ending Balance	<u>\$ 10.3 M</u>	<u>\$ 4.4 M</u>

Reasons for Higher Ending Balance

- Lower State revenue deficit than budgeted
- Implemented Early Retirement (SERP) to reduce salaries & benefits – 35 employees retired
- Negotiated health benefit changes with certain groups to reduce on-going cost
- Delayed filling vacant positions included in the budget
- Reduced Adjuncts by 17% and hourlies (including tutors & TAs) by 80%
- Offset some general fund expenses related to COVID-19 with federal stimulus funds

Summary of 2021/2022 UGF Adoption Budget

	<u>2021/2022 AB</u>
• Beginning Balance	\$ 21.3 M
• Plus: Revenue – on going	\$119.5 M
• Plus: Revenue – one-time	\$ 10.5 M
• Less: Expenses	\$141.1 M
• Less: Contingency Reserve	\$ 10.2 M
• Ending Balance	<u>\$ 0</u>

2021/2022 Adoption Budget Fixed Cost Analysis - UGF

• Total UGF Revenue			\$130,079,836	
• Contract Salaries	\$58,722,403	45%		
• Adjunct & Hourlies	\$21,834,526	17%		
• Total Benefits	\$36,825,446	28%		<u>90%</u>
• Utilities, Rent, Repairs & Maint.	\$ 7,046,032	5%		
• Contract Services	\$ 2,552,733	2%		
• Insurance, Audits & Legal	\$ 1,740,644	1%		
• Fees & Software	\$ 1,201,672	1%		<u>10%</u>
• Total Fixed Cost			\$129,923,456	<u>100%</u>

Note: Fixed cost does not include supplies, equipment, travel, advertising, postage and facilities repairs and maintenance - \$4 million

2021/2022 Adoption Budget Mandated Benefits % Increases

	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
PERS	20.7%	22.91%	26.1%
STRS	16.15%	16.92%	19.1%
SUI	.05%	.5%	.5%
(State Unemployment Insurance)			

Earned FTES VS. Funding

	<u>FTES</u>	<u>Funding based on FTES</u>	<u>Hold Harmless Amount</u>
2018/19	17,697	\$116.3 M	\$0
2019/20	16,768	\$115.5 M	\$524K
2020/21	14,296	\$111.1 M	\$4.9M

Reduction in **(19%)**

FTES from 18/19

Full-Time Faculty Hiring Funds

Faculty Obligation Number (FON)

• 2021-2022 Funding		\$1.5 M
• Current FON	265.5	
• Increase FON	17.0	
• Revised FON	282.5	
• Current FT Faculty	286	
• New FT Faculty Goal	309	

FEDERAL STIMULUS FUNDS (HEERF-3)

- \$20.3M for Students
- \$19.2M for the Institution

FEDERAL STIMULUS FUNDS (HEERF-3)

- Planning to fund return to campus projects per recommendations from the four Repopulation Teams including:
 - Hire COVID-19 specialists (Six positions) to monitor compliance and safety measures and contact tracing
 - Hire hourlies to assist with monitoring compliance and safety at events
 - Vaccine compliance for students and employees
 - Equip classrooms with Distance Learning capabilities
 - Districtwide signage and wayfinding signs including digital signs at each campus entrance

FEDERAL STIMULUS FUNDS (HEERF-3)

- Ventilation assessment and improvements
- HVAC repairs
- Designate outdoor areas for students and employees
 - Purchase tents and outdoor furniture
- Purchase PPE supplies including hand sanitizers and wipes
- Install automatic and touchless doors in high traffic areas
- Install touchless drinking fountains

FEDERAL STIMULUS FUNDS (HEERF-3)

- Additional portable restrooms for athletics
- Pay out Students Debt
- Capture Lost Revenue
- Fund innovative return initiatives for student success & retention
 - Fund technology infrastructure
- Outdoor wireless access points for student needs

Challenges

- Enrollment has been declining 3 years in a row – 19%
- Salaries & Benefits continue to rise
- Hold Harmless will end in 2024-25
- Reserves are low
- Balancing budget with one-time funds

Next Steps

- Implement action plan to address fiscal challenges as recommended in the external fiscal analysis report
 - Engage the campus community in enrollment management planning
 - Workshop is planned for the Spring
 - Develop a plan to reengage students who have stopped out
 - Continue to address fixed costs containment
 - Continue to address staffing needs
 - Analyze vacant, frozen, interim and out-of-class positions
- Continue to look at cost savings measures in contracts & operating expenses

2021/2022 Adoption Budget Booklet Overview

COMMENTS/
QUESTIONS??