



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

2014-2015
Adoption Budget
Workshop
September 2, 2014

Linking Strategic Planning to Budget

Values Students, Employees, & Community

➤ Student Access

- Students first

➤ Learning and Student Success

- Protecting the learning core

➤ Value and Support of Employees

- Balance needs of employees with needs of students

➤ Economic and Community Development

- Maximize potential revenues

➤ Fiscal and Physical Resources

- Fund structural commitments and fixed increases
- Address Accreditation, legal & fiscal stability challenges



California Community Colleges

❖ Cost-of-Living Adjustment (COLA)

- \$47.3 million
- 0.85%

❖ Access/Workload Restoration

- \$140.4 million
- 2.75%

❖ Categorical Programs:

- \$100 million for Student Success and Support Program
- \$70 million for Student Equity Plans (new funding)
- \$30 million for DSPPS – back to 08/09 level

❖ \$498 million for paying down deferrals – Only \$94 million left!!

California Community Colleges

- ❖ \$50 million increase for Economic and Workforce Development Program – one time
- ❖ \$148 million for Physical Plan and Instructional Support Program – one time
- ❖ \$39.7 million for Prop 39 – Energy Projects

2014-2015 State Budget for Community Colleges Changes Compared to 2013-2014

| Description (amounts in 000s) | 2013-14 Approved Budget | 2014-15 January Proposed | 2014-15 May Revised Budget | 2014-15 Approved Budget |
|---|-------------------------------|--------------------------------|-------------------------------------|-------------------------------|
| <u>Unrestricted General Fund</u> | | | | |
| Cost-of-living adjustment (COLA) | 1.57% | 0.86% | 0.85% | 0.85% |
| Access/Workload Restoration | 1.63% | 3.0% | 2.75% | 2.75% |

2014-2015 State Budget for Community Colleges Changes Compared to 2013-2014

| Description (amounts in 000s) | 2013-14 Approved Budget | 2014-15 January Proposed | 2014-15 May Revised Budget | 2014-15 Approved Budget |
|--|-------------------------------|--------------------------------|-------------------------------------|-------------------------------|
| <u>Restricted General Fund</u> | | | | |
| Student Success and Support Program | \$99,183 | \$199,183 | \$199,183 | \$199,183 |
| Student Success and Support Equity Program | \$0 | \$100,000 | \$100,000 | \$70,000 |
| Disabled Students Programs and Services | \$84,223 | \$84,223 | \$84,223 | \$114,223 |

California Community Colleges

What's New

❖ Student Success and Support Program

- Concerns that districts would be unable to match the increased funding for SSSP at 3:1 rate – initial match
- Based on the results of the survey to the colleges, the Board of Governors took action on July 8 to amend its regulations
- Revised SSSP Match Requirement for 2014-2015
 - Match was reduced to 2:1
 - Match can include expenditures that were allowed for funding under the old Matriculation program that can no longer be funded with SSSP funds
(initially was allowed for 1st year – now allowed 2nd year)
 - The cost of tutoring and supplemental instruction provided as follow-up services for at risk students
(initially was not allowed as match)

California Community Colleges

What's New

❖ Student Equity Planning

- Was not tied to any funding until the Governor's proposed budget in January 2014
- To close the achievement gaps in access and success in underrepresented student groups
- Focuses on increasing access, course completion, ESL and basic skills completion, degrees, certificates and transfer for all students
- The Chancellor's Office is developing a process for allocating funding to colleges
- Plan is due Fall 2014

2014-2015 Grossmont-Cuyamaca CCD

| Description | 2013-14 Approved Budget | 2014-15 Approved Budget |
|---|-------------------------------|-------------------------------|
| <u>Unrestricted General Fund</u> | | |
| Cost-of-living adjustment (COLA) | \$1.3M 1.57% | \$750K 0.85% |
| Access/Workload Restoration | \$2.2M 2.8% | \$2.8M 3.4% |

2014-2015

Grossmont-Cuyamaca CCD

| Description | 2013-14 Approved Budget | 2014-15 Approved Budget |
|--|-------------------------------|-------------------------------|
| <u>Restricted General Fund</u> | | |
| Student Success and Support Program | \$1.3M | \$3.1M |
| Student Success and Support Equity Program | \$0 | Pending Alloc. |
| Disabled Students Programs and Services | \$1.58M | \$2.0M (est.) |

2014-2015 Grossmont-Cuyamaca CCD

| Description | 2013-14 Approved Budget | 2014-15 Approved Budget |
|--|-------------------------------|-------------------------------|
| <u>Restricted Funds</u> | | |
| Physical Plant and Instructional Support Program | \$431K | \$2.36M |
| Prop. 39 – Energy Projects | \$615K | \$503K |

2014-2015

Physical Plant & Instructional Support

One Time Fund

❖ Physical Plant

- \$1,179,065
- Scheduled Maintenance
- Special Repairs
- Project Funding Proposals (PFPs)

❖ Instructional Support

- \$1,179,066
- Instructional Equipment & Furniture
- Library Materials
- Instructional Information Technology Equipment
- Software licenses – initial year only

GCCCD Adoption Budget

➤ Total Budget \$232,196,804

| | <u>2014-15 TB</u> | <u>2014-5 AB</u> |
|-------------------------------|-----------------------------|-----------------------------|
| <u>General Fund:</u> | | |
| Unrestricted Fund | \$105.4 m | \$110.6 m |
| Restricted Fund | 16.5 m | 23.1m |
| Total General | <u>\$121.9 m</u> | <u>\$133.7 m</u> |
| <u>Other Funds</u> | 94.5 m | 98.5 m |
| Total Budget | <u><u>\$216.4 m</u></u> | <u><u>\$232.2 m</u></u> |

Summary of 2013-2014 Ending Balance

Unrestricted General Fund

| | |
|--|-----------------------------|
| ➤ Ending Balance at 6/30/2014 | \$11.2 million |
| ➤ Less: | |
| ➤ Contingency Reserve | 5.2 million |
| ➤ Purchase Orders (carried to next fiscal year) | 1.5 million |
| ➤ Ending Balance after Commitments | <u><u>\$4.5 million</u></u> |

Unrestricted General Fund Summary

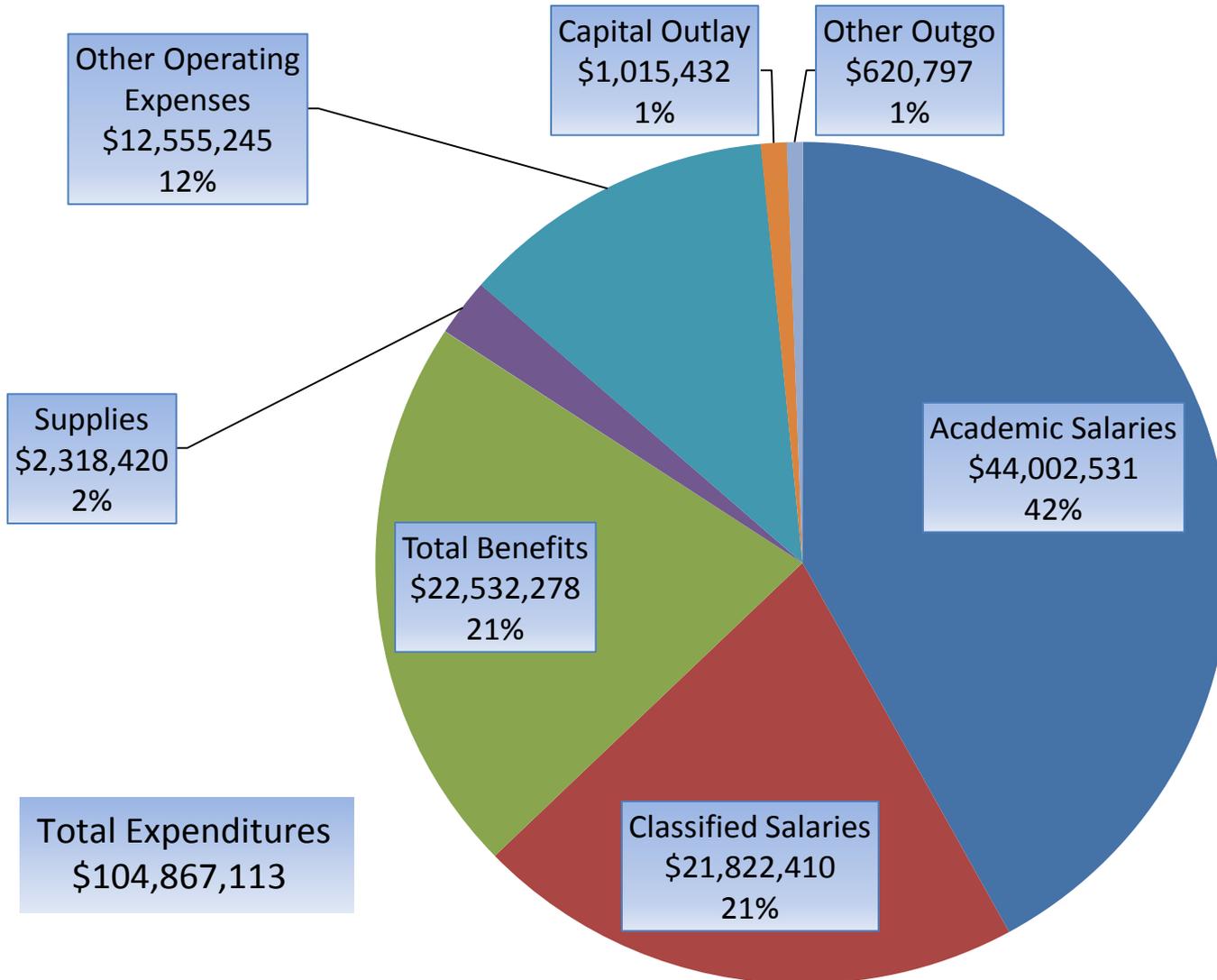
| | |
|---------------------------|------------------------------|
| Beginning Balance | \$11,220,922 |
| Revenue | 97,866,791 |
| One-Time Prior Year Funds | 1,547,091 |
| Total Funds Available | <u>\$ 110,634,804</u> |
| Less Contingency Reserve | (5,767,691) |
| Total Formula Allocation | <u><u>\$ 104,867,113</u></u> |

Site Allocations

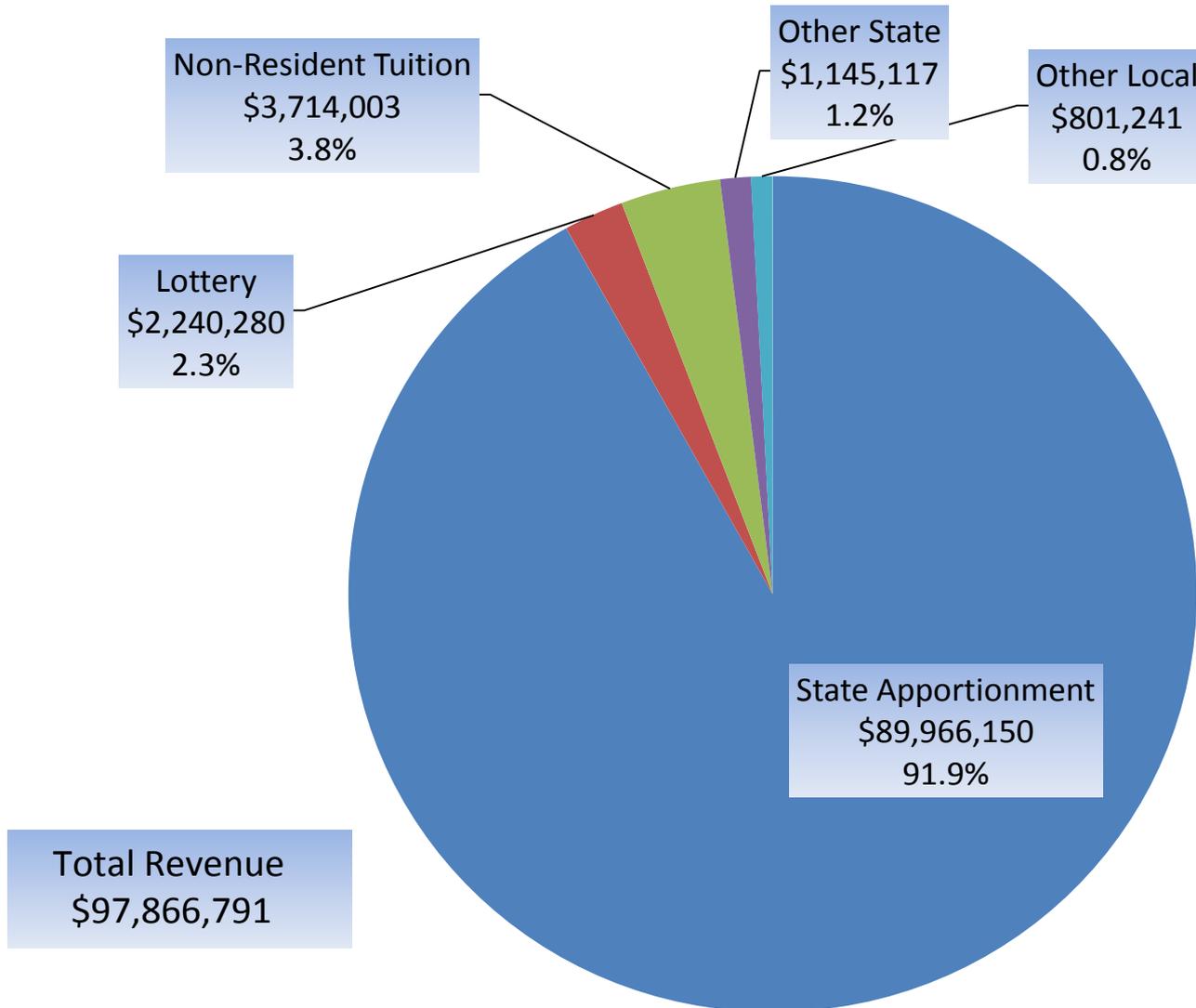
Unrestricted General Fund

| | | |
|---------------------------------|-------------------------------------|----------------|
| Grossmont College | \$ 60,810,133 | Page 14 |
| Cuyamaca College | 25,539,522 | Page 18 |
| District Services | 11,345,475 | Page 22 |
| Districtwide Commitments | 7,171,983 | Page 26 |
| Total Allocations | <u><u>\$ 104,867,113</u></u> | |

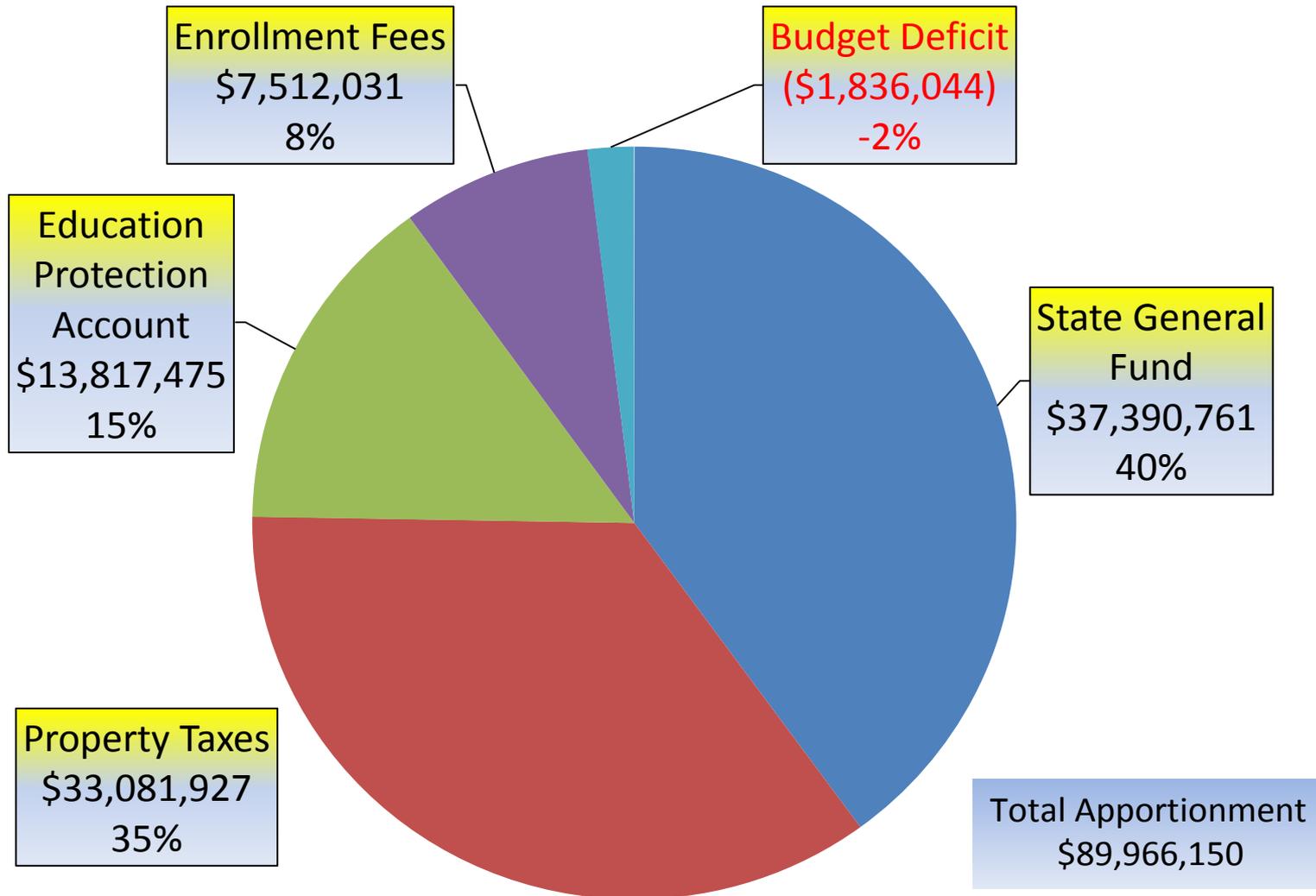
Unrestricted General Fund AB Expenditures – Page 10



Unrestricted General Fund AB Revenue— Page 6



Unrestricted General Fund State Apportionment Revenue



Deficit

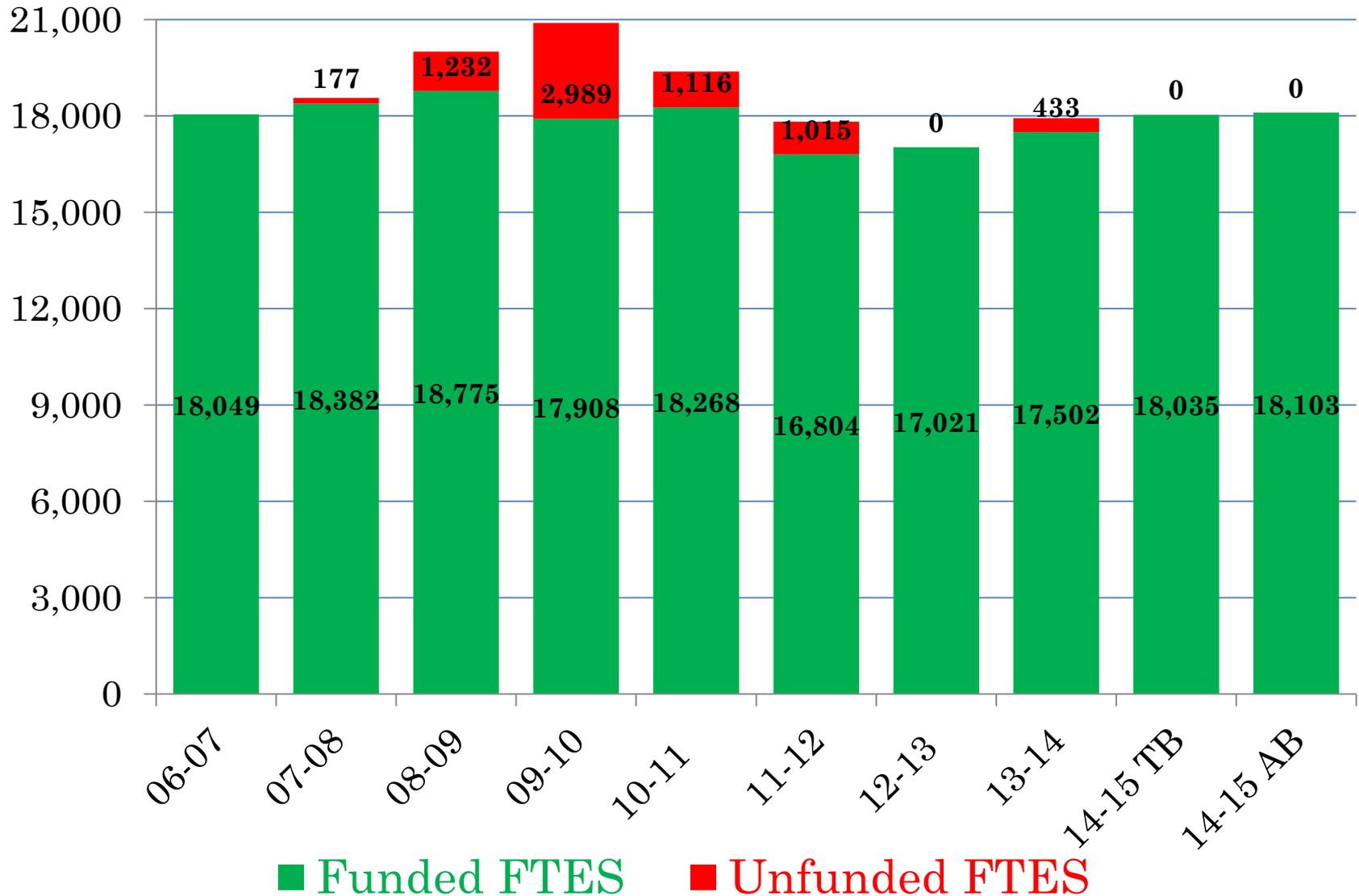
❖ 2013-2014 State Deficit in June 2014

- 1.72%
- \$1.5M
- Updated amount February 2015

❖ 2014-2015 Budget Deficit

- 2%
- \$1.8M
- To protect against mid-year cut
- Will reconsider in February 2015 at First Period Apportionment Report from State

FTEs History & Projections



Workload Reduction and Restoration Summary

| | | |
|-----------------------|----------------------------|----------------|
| 2009-2010 | -\$3.1M Reduction | (3.35%) |
| 2010-2011 | \$2.1M Restoration | 2.14% |
| 2011-2012 | -\$6.3M Reduction | (7.65%) |
| 2012-2013 | \$943K Restoration | 1.29% |
| 2013-2014 | \$2.2M Restoration | 2.82% |
| 2014-2015 | \$2.8M Restoration | 3.40% |
| Net Difference | -\$1.35M to Restore | (1.35%) |

Budget Challenges

❖ STRS Obligations

- Increased cost with no funding

❖ State Deficits

- Continued exposure to shortfalls in State revenue, property taxes and student fees

❖ Modest revenue increase with sharply increasing expenditures

❖ Proposition 30 is temporary tax increase

- Sales tax increase ends on December 31, 2016
(approximately 21% of Prop 30 revenues)
- Income tax increase ends on December 31, 2018

FTES Funding

- ❖ We are still below our 2008/09 funding level

- ❖ Growth Allocation
 - New formula effective in 2015-16
 - “Primary factors” to include individuals under/over 25 within district boundaries without a college degree and number of unemployed and disadvantaged
 - Fiscal Affairs Workgroup plans a proposal in Fall 2014

- ❖ CDCP Rate (Noncredit Courses in Career Development and College Preparation)
 - Beginning 2015-16, the CDCP rate will equal the credit rate
 - From \$3,310.72 to \$4,675.9 per FTES

Thank You!!

District Strategic Planning & Budget Committee Members

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