

Listening Session on the Budget

Presented to the Board of Trustees
November 20, 2018

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VP, Finance and Admin Services (Interim)

Budget Listening Session Presentation Overview

- ✓ Guiding Principles
- ✓ Data Driven Decisions
- ✓ Changing Demographics of Sonoma County
- ✓ Fire Waiver
- ✓ Funding Formula
- ✓ Long Term Planning

Budget Listening Session Guiding Principles

- ✓ Sustainable budget
- ✓ Competitive salaries
- ✓ Maximize revenues
- ✓ Long term planning based on data and demographics
- ✓ Be proactive rather than reactionary
- ✓ Increase fund balance
- ✓ District united and moving forward

Budget Listening Session

Staffing Ratios

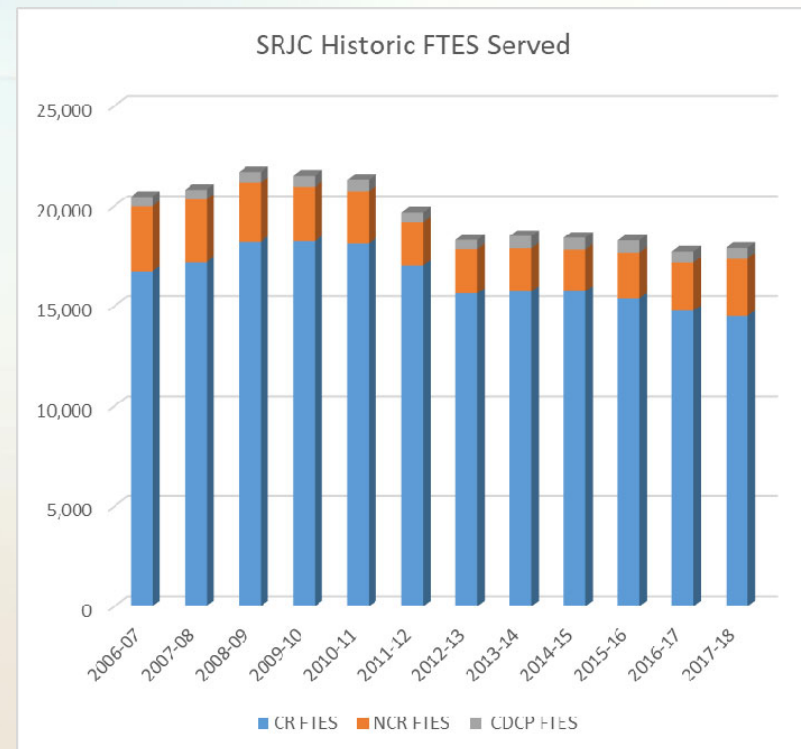
<u>Staffing Ratios (F17)</u>	<u>District</u>	<u>State Average</u>	<u>Single College District Average</u>
FTES:Management	211:1	288:1	259:1
FTES:Classified	43:1	49:1	47:1
FTES:Faculty	29:1	32:1	31:1
Faculty:Management	7:1	9:1	9:1
Classified:Management	5:1	6:1	6:1

Source: CCCCCO Datamart

Budget Listening Session

FTES Served

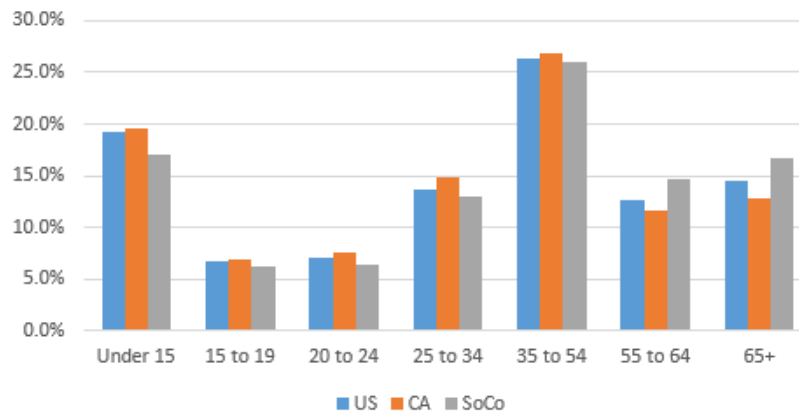
- ✓ From 2006/07 to 2017/18
- ✓ Credit FTES 13% decrease
- ✓ NC FTES 12% decrease
- ✓ CDCP FTES 16% increase



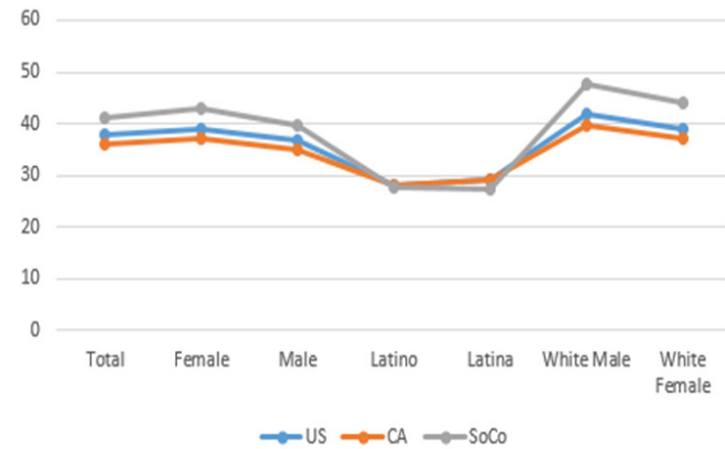
Source: SRJC Office of Institutional Research

Budget Listening Session Demographics

Population by Age



Median Age - Census 2016

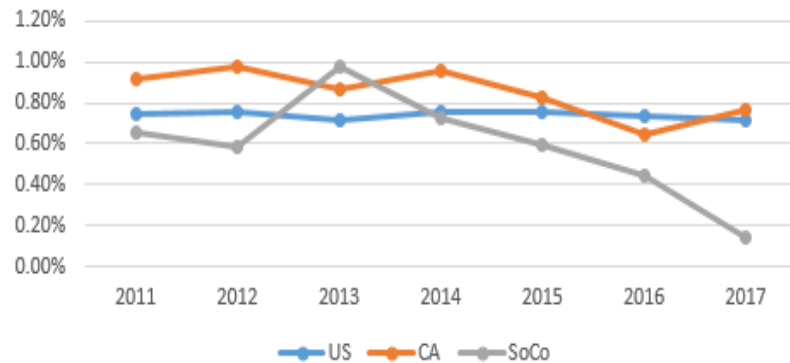


Source: U.S Census via OIR

Budget Listening Session

Demographics

Year to year Population change rate
Census 2011 - 2017



Source: U.S Census via OIR

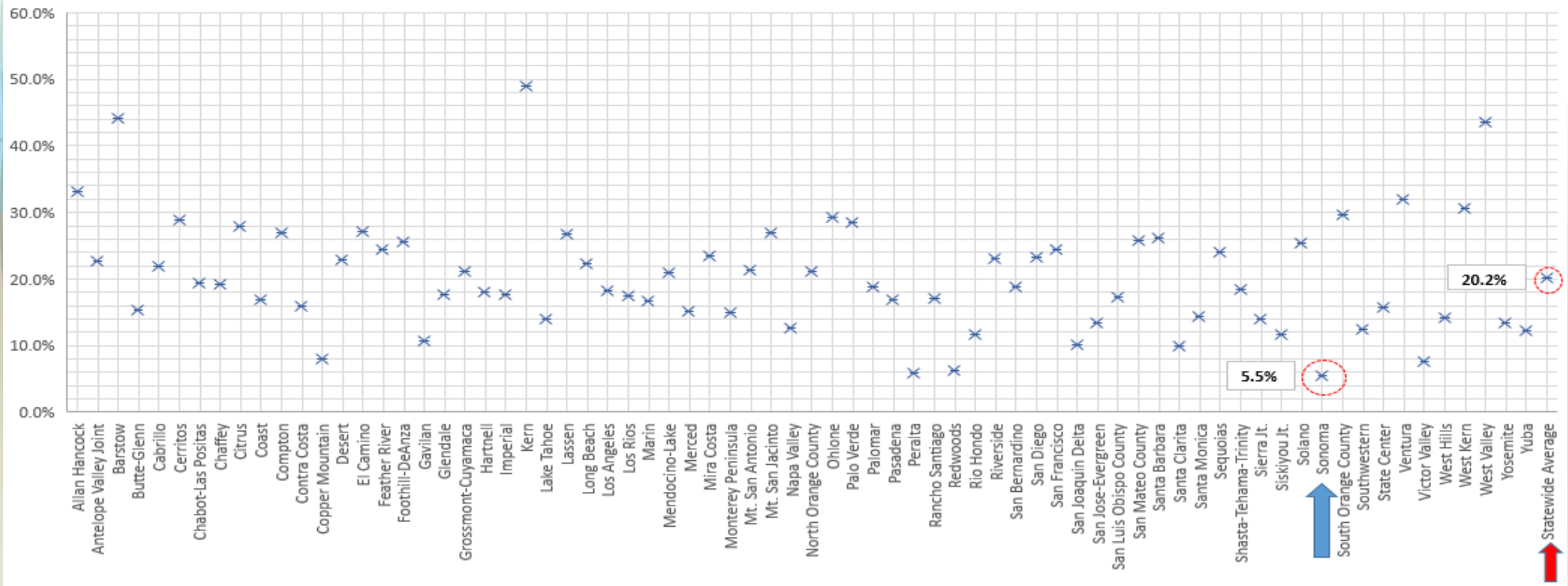
Comparative Educational Attainment
25 years and older

Level	US	CA	SoCo
Less than high school diploma	13	17.9	12.7
High School Graduate or Equivalent	27.5	20.6	19.4
Some College, no degree	21	21.7	25.3
Associate's Degree	8.2	7.8	9.5
Bachelor's Degree	19	20.1	21.2
Graduate or Professional Degree	11.5	11.9	11.9
US Census , 2016 data			

Budget Listening Session

Fund Balance

2016/17 Ending Fund Balance as % of Expenditures



Source: CCCC Fiscal Data Abstract

Budget Listening Session

Fire Waiver

- ✓ Emergency Conditions Waiver
- ✓ Funds District at 19,451 FTES (17/18 served 17,908)
- ✓ Maintains funding as a large college
- ✓ In place for 2017/18, 2018/19, and 2019/20

2017/18	2018/19	2019/20	2020/21	2021/22
X	X	X	?	?

- ✓ Allows time for planning and implementing – not reacting
- ✓ Be prepared in 2020/21

Budget Listening Session Funding Formula

✓ Base Component

Calculation of Base Component

Basic Allocation				\$	9,463,262
		A	B		A x B
	FTES Type	Payment Per FTES	FTES Funded		Allocation
	Credit	\$ 3,727	14,955.43	\$	55,738,888
	Non-Credit	3,347	2,501.78		8,374,691
	CDCP	5,457	688.72		3,758,120
	Special Admit	5,457	418.19		2,281,926
	Incarcerated Students - Credit	5,457	4.75		25,919
	Incarcerated Students - Non-Credit	3,347	-		-
Total Funding From Base Component:				\$	79,642,806

Budget Listening Session Funding Formula

✓ Supplemental Component

Calculation of Supplemental Component

Supplemental	A	B	A x B
	Payment Per Count	Applicable Count	Allocation
Promise Grant Recipient	\$ 919	10,437	\$ 9,591,603
Pell Grant Recipient	919	3,630	3,335,970
AB540 Student	919	982	902,458
Total Funding From Supplemental Component:			\$ 13,830,031

Budget Listening Session Funding Formula

✓ Student Success Component

Calculation of Student Success Component

Success	Points	A Payment Per Count	B Applicable Count	A x B Allocation
Associate's Degrees	3.0	\$ 1,320	1,522	\$ 2,009,040
Associate's Degree for Transfer	4.0	1,760	629	1,107,040
Credit Certificates 18+	2.0	880	573	504,240
CTE Units 9+	1.0	440	2,868	1,261,920
Transfers to Four Year College	1.5	660	1,904	1,256,640
Math and English Completion in Year 1	2.0	880	216	190,080
Regional Living Wage	1.0	440	3,630	1,597,200
Bonus (Above + Promise Recipient)				
Associate's Degrees	3.0	\$ 333	1,085	\$ 361,305
Associate's Degree for Transfer	4.0	444	406	180,264
Credit Certificates 18+	2.0	222	324	71,928
CTE Units 9+	1.0	111	1,711	189,921
Transfers to Four Year College	1.5	167	977	162,671
Math and English Completion in Year 1	2.0	222	91	20,202
Regional Living Wage	1.0	111	1,296	143,856
Bonus (Above + Pell Recipient)				
Associate's Degrees	4.5	\$ 500	673	\$ 336,164
Associate's Degree for Transfer	6.0	666	249	165,834
Credit Certificates 18+	3.0	333	182	60,606
CTE Units 9+	1.5	167	945	157,343
Transfers to Four Year College	2.3	250	543	135,614
Math and English Completion in Year 1	3.0	333	35	11,655
Regional Living Wage	1.5	167	531	88,412
Total Funding From Student Success Component:				\$ 10,011,933

Budget Listening Session

Long Term Planning

- ✓ Five year strategy (including 18/19)
- ✓ Use early years on waiver to allow time for discussion and planning, including using our reserves
- ✓ Realigning our finances to number of students actually served
- ✓ Maximize revenues
- ✓ Consolidations
- ✓ Schedule Reductions
- ✓ Program Discontinuance (Instructional and Non-instructional)
 - ✓ Elimination of vacant positions
 - ✓ Corresponding elimination of workload

Budget Listening Session

Long Term Planning

✓ 2019/20

- ✓ Reductions to Schedule \$1M (9% to Summer and Fall)
- ✓ Discretionary budget reductions \$500K
- ✓ Full Time Faculty (to FON) \$660K
- ✓ Consolidation/elimination of non-instructional positions \$3.13M

✓ 2020/21

- ✓ Reductions to Schedule \$500K
- ✓ Discretionary budget reductions \$500K
- ✓ Consolidation/elimination of non-instructional positions \$3.13M

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Long Term Planning

✓ 2021/22

- ✓ Discretionary budget reductions \$500K
- ✓ Consolidation/elimination of non-instructional positions \$2.53M

✓ 2022/23

- ✓ Consolidation/elimination of non-instructional positions \$1.59M

Budget Listening Session

Next Steps

- ✓ Define priorities
- ✓ Program analysis
- ✓ Position analysis
- ✓ Academic Affairs / Student Services developing targets & strategies
- ✓ Every employee in the District has a part

Budget Listening Session Conclusions

- ✓ Lots of hard work and decisions ahead
 - ✓ This is a plan
 - ✓ If revenues are increased, reductions could be adjusted
 - ✓ Will look very different at end of this process
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- ✓ GOAL → Fiscally sustainable District while remaining excellent learning institution



Questions?

Presentation can be found at:
<https://accounting.santarosa.edu/budget-updates-0>