

Committee of the Whole 2019-20 Adopted Budget and BAM Update November 7, 2019

TOPICS:

- **Adopted Budget Update**
- **Budget Allocation Model (BAM) Update**

Presented by: Dr. Michael T. Collins, VP Business Services

FY 18/19 and 19/20 Budget by Category

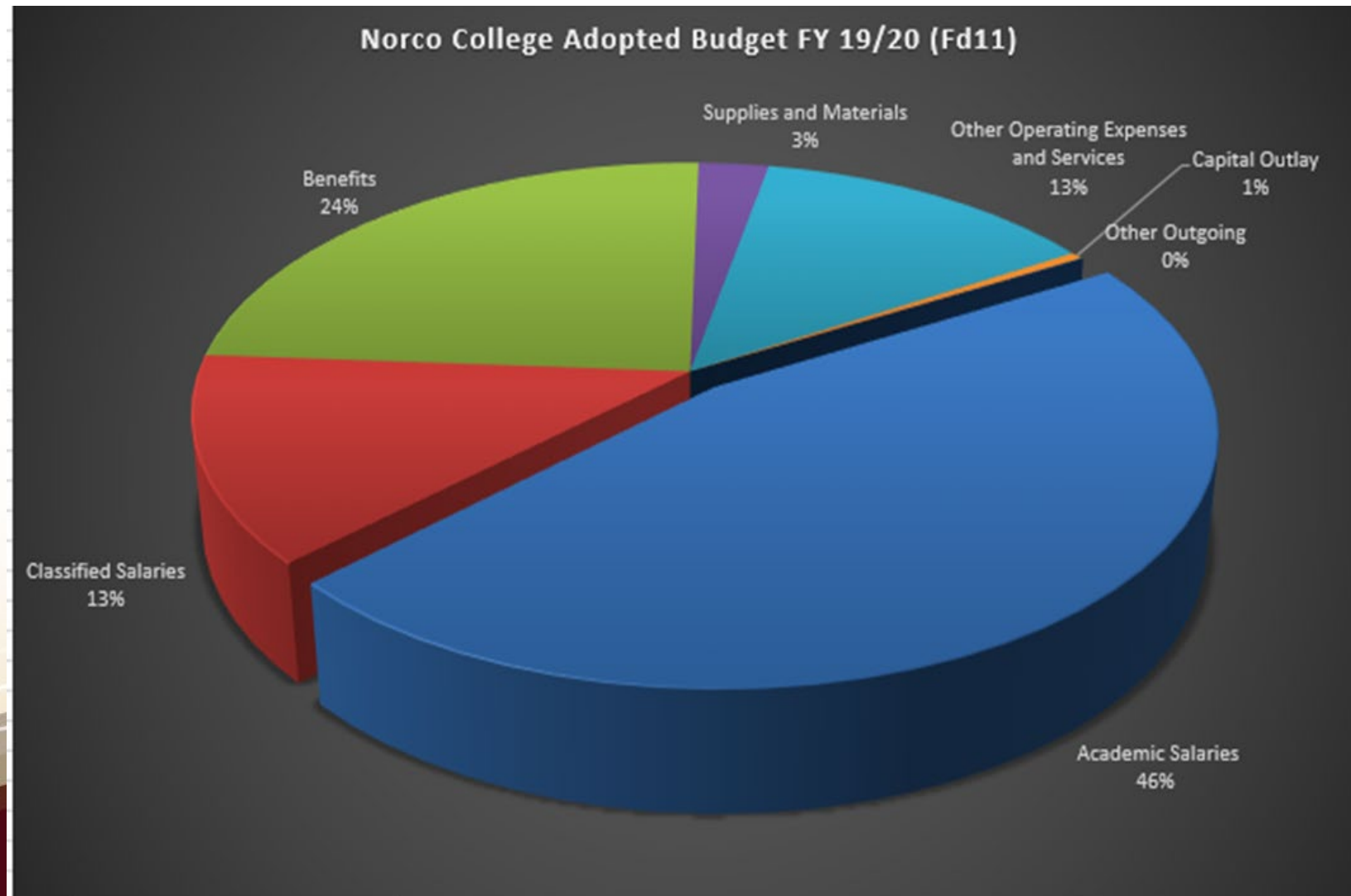
FUND 11		
BUDGETED EXPENSES	FY 18/19 Revised Budget	FY 19/20 Adopted Budget
Academic Salaries	18,901,155	20,554,681
Classified Salaries	5,368,328	5,908,885
Benefits	9,930,915	10,794,965
Total Salaries & Benefits	34,200,398.00	37,258,531.00
Supplies & Materials	1,151,423	1,193,882
Services & Operating Exp	6,401,512	6,042,019
Capital Outlay	550,172	198,840
Total Outgo	-	28,408
Total Non-Salary	8,103,107.00	7,463,149.00
Total Budgeted Expenses (includes holding accts)	42,303,505.00	44,721,680.00

83.3% 19/20 Budget - Salaries and Benefits

16.7% of 19/20 Budget Non-Salary



General Fund 19/20 Budget by Category



District Budget Allocation Model Update

- Fair – Resource allocation decisions will be informed by objective, predictable, verifiable, and easily accessible data and will be made in an impartial and consistent manner.
- Equitable – Resources will be distributed in a manner that adequately supports the full array of programs offered at each college while ensuring compliance with statutory and regulatory requirements; efficient and strategic use of resources is expected, and inefficiencies will not be subsidized or supported.
- Transparent – Resource allocation decisions will be made in an open and consultative manner with representative stakeholder groups and that it is simple, easy to administer and communicate as possible.

- The District is primarily funded through apportionment, based on the number of Full-time Equivalent Students (FTES) we serve annually, even under the new Student Centered Funding Formula (SCFF) = 70% of the apportionment calculation.
- The BAM will use the FTES discipline “Exchange Rates” to allocate funding to the colleges.
- Revised BAM will be implemented in the 2020-21 fiscal year.
- 2019-20 fiscal year is a “hold harmless” year, expense budgets are not impacted.

Procedural Steps in 2018-19

- To determine the “Exchange Rate” per FTES, the project team gathered multi-year historical **General Fund** “Discipline Cost per FTES” information for each college
- The “Discipline Cost per FTES” includes the following:
 - Direct Cost of Instruction (Faculty, Lab Technicians, Classified Positions, etc.)
 - Non-Instructional Costs (Deans, Administrative Staff, etc.)
- Shared costs (administration/support – Business Services, Student Services and Other)
 - Allocated on the same basis as Non-Instructional costs/FTES

Procedural Steps in 2018-19 (cont.)

- Disciplines were grouped into the following categories to derive consistency and comparability among the college:
 - **STEM**
 - **Liberal Arts**
 - **Career and Technical Education (CTE)**
 - **“Unique” (Defined as a discipline only offered at one college)**

2018-19 Adopted Budget Funding Rate Per FTES by College

- Riverside City College- **\$3,171 per FTES**
- Moreno Valley College- **\$3,119 per FTES**
- Norco College- **\$2,613 per FTES**

FTES Cost Comparison - Mean vs. Median				
Direct Instructional & Academic Affairs Costs Per Category (STEM, Liberal Arts, CTE, Unique)				
STEM	FY 15/16	FY 16/17	FY 17/18	FY 18/19
NC Cost Per FTES - STEM	\$ 2,592	\$ 2,671	\$ 3,008	\$ 3,407
MVC Cost Per FTES - STEM	\$ 2,780	\$ 2,920	\$ 3,273	\$ 3,840
RCC Cost Per FTES - STEM	\$ 2,902	\$ 2,916	\$ 3,184	\$ 3,489
<i>RCCD Median</i>	\$ 2,780	\$ 2,916	\$ 3,184	\$ 3,489
<i>RCCD Mean</i>	\$ 2,758	\$ 2,836	\$ 3,155	\$ 3,579
Liberal Arts	FY 15/16	FY 16/17	FY 17/18	FY 18/19
NC Cost Per FTES - Liberal Arts	\$ 2,692	\$ 2,827	\$ 3,146	\$ 3,395
MVC Cost Per FTES - Liberal Arts	\$ 2,878	\$ 3,172	\$ 3,298	\$ 3,931
RCC Cost Per FTES - Liberal Arts	\$ 3,199	\$ 3,146	\$ 3,412	\$ 3,521
<i>RCCD Median</i>	\$ 2,878	\$ 3,146	\$ 3,298	\$ 3,521
<i>RCCD Mean</i>	\$ 2,923	\$ 3,048	\$ 3,285	\$ 3,616
CTE	FY 15/16	FY 16/17	FY 17/18	FY 18/19
NC - Cost Per FTES - CTE	\$ 3,402	\$ 3,398	\$ 3,636	\$ 3,779
MVC - Cost Per FTES - CTE	\$ 3,627	\$ 3,319	\$ 3,623	\$ 5,195
RCC - Cost Per FTES - CTE	\$ 2,920	\$ 3,001	\$ 3,080	\$ 3,115
<i>RCCD Median</i>	\$ 3,402	\$ 3,319	\$ 3,623	\$ 3,779
<i>RCCD Mean</i>	\$ 3,316	\$ 3,239	\$ 3,446	\$ 4,030

“TO DO” Tasks in 2019-20

- 1. Analyze and justify “Unique” disciplines**
- 2. Develop a treatment for “District Operations” costs**
- 3. Establish the “Exchange Rate” (mean or median) for discipline categories**
- 4. Model revenue flow through the revised BAM- determine true funding impacts to the college**
- 5. Analyze/implement budget development improvements that allow for planning**
- 6. Analyze strategic programs/considerations that impact the cost of an FTES**
- 7. Further consider the “Comprehensive College” allocation**
- 8. Prepare for implementation of the revised BAM in 2020-21 budget year**