

BFPC

Budget and Facilities Planning Council

September 10, 2019

TOPICS:

- **FY 18/19 End-of-Year Budget Performance Report (Fund 11 and Fund 12)**
- **Instructional Equipment (Fund 12)**
- **Lottery Funds (Fund 12)**
- **List of Grants -Handout (Fund 12)**
- **Holding Account Balances (Fund 11)**
- **NC FY 19/20 Proposed Expenditure Plan (OT funds)**
- **Budget Allocation Model Revision update**

Presenters: Dr. Michael T. Collins, VP Business Services
Esmeralda Abejar MBA, Director, Business Services

18-19 End-of-Year Budget Performance Report

FUND 11				
FY 18/19				
BUDGETED EXPENSES	FY 2019/20	Revised Budget	18/19 Actual	Balance
Academic Salaries		18,901,155	19,963,188.99	(1,062,033.99)
Classified Salaries		5,368,328	5,411,669.77	(43,341.77)
Benefits		9,930,915	9,591,551.96	339,363.04
Total Salaries & Benefits		34,200,398.00	34,966,410.72	(766,012.72)
Supplies & Materials		1,151,423	357,082.98	794,340.02
Services & Operating Expenses		6,401,512	2,686,733.57	3,714,778.43
Capital Outlay		550,172	493,194.94	56,977.06
Total Outgo		-	61,663.36	(61,663.36)
Total Non-Salary		8,103,107	3,598,674.85	4,504,432.15
Total Budgeted Expenses (includes holding accts)		42,303,505.00	38,565,085.57	3,738,419.43

18-19 End-of-Year Budget Performance Report

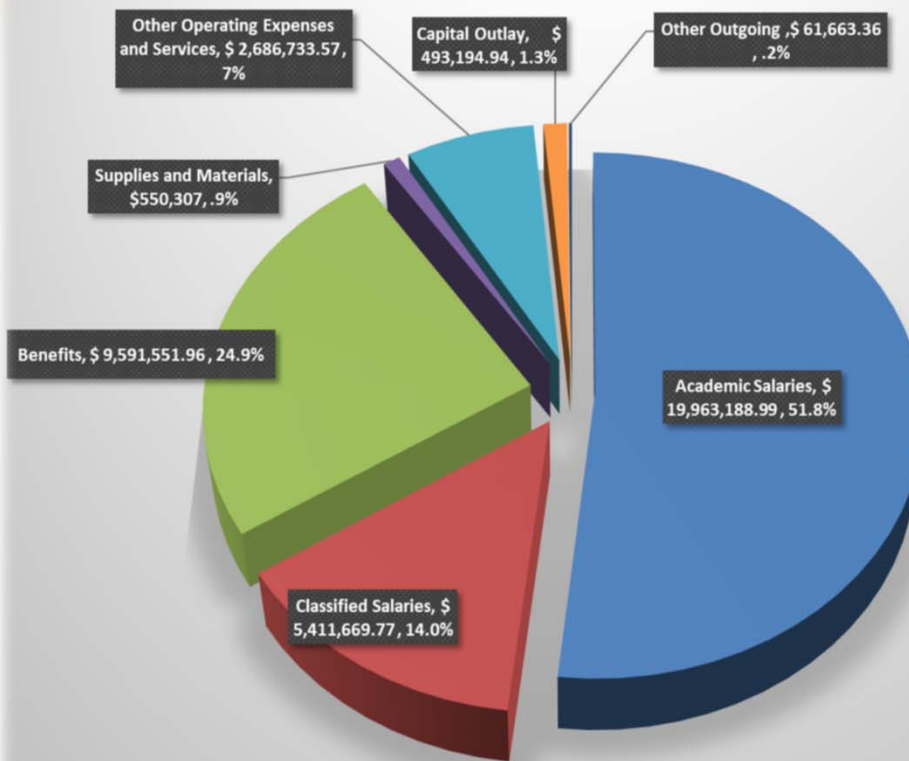
- End of the Year Budget Performance Report. *(Handout)*
- Fund 11 Revised budget = \$42,303,505.00
Actual Expenses = \$38,565,085.57
Balance = \$ 3,738,419.43 (Bal. includes holding accounts)

Fund 11 Ending balance minus holding account = \$139,000

18-19 End-of-Year Budget Performance Report

- PT & Overload, Academic, Inst. Salaries. 13xx's accounts overspent by \$901,434
- PT & Overload, Academic, Non-Inst. Salaries. 14xx's accounts overspent by \$448,859
- Overall savings in utilities \$89,724

Norco Actual Expenditures FY 18/19 (Fd 11)



18-19 End-of-Year Budget Performance Report

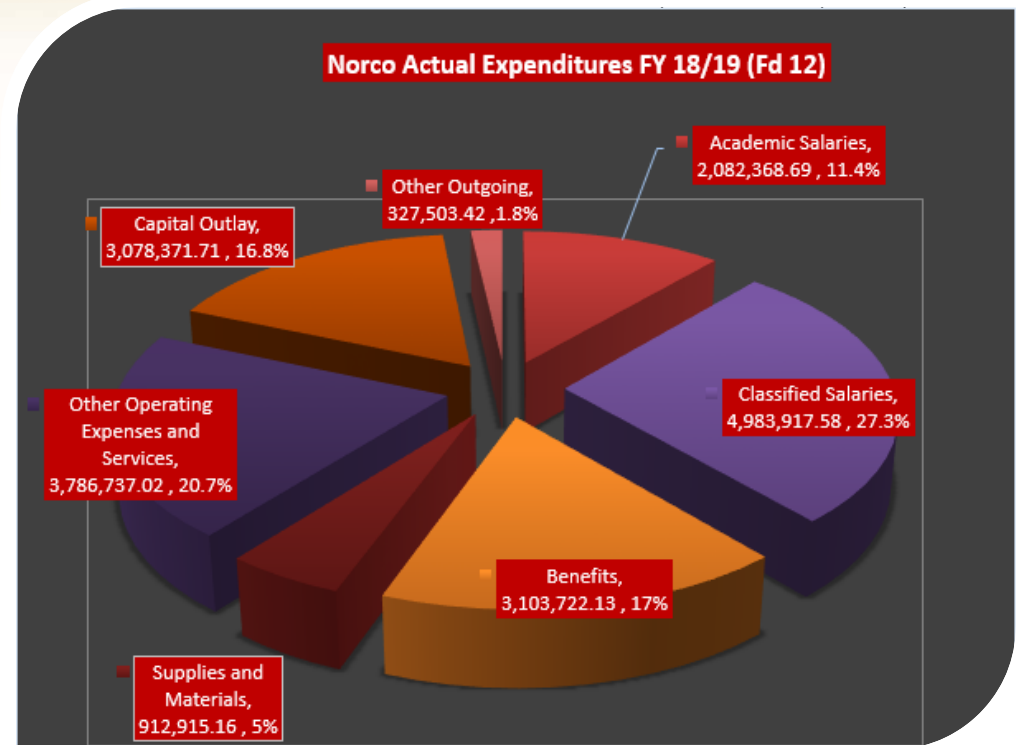
FUND 12				
FY 18/19				
BUDGETED EXPENSES	FY 2019/20	Revised Budget	18/19 Actual	Balance
Academic Salaries		2,552,325	2,082,368.69	469,956.31
Classified Salaries		5,942,128	4,983,917.58	958,210.42
Benefits		3,727,787	3,103,722.13	624,064.87
Total Salaries & Benefits		12,222,240.00	10,170,008.40	2,052,231.60
Supplies & Materials		2,670,981	912,915.16	1,758,065.84
Services & Operating Expenses		8,392,073	3,786,737.02	4,605,335.98
Capital Outlay		11,456,114	3,078,371.71	8,377,742.29
Total Outgo		1,196,279	327,503.42	868,775.58
Total Non-Salary		23,715,447	8,105,527.31	15,609,919.69
Total Budgeted Expenses		35,937,687.00	18,275,535.71	17,662,151.29

26% of total budgeted salaries and benefits.

Norco Expenditures FY 2018/19 (Fund 12)

Description	Revised Budget FY 18/19	Actuals 6/30/19	%
Academic Salaries	2,552,325	2,082,368.69	11.4%
Classified Salaries	5,942,128	4,983,917.58	27.3%
Benefits	3,727,787	3,103,722.13	17.0%
Supplies and Materials	2,670,981	912,915.16	5.0%
Other Operating Expenses and Services	8,392,073	3,786,737.02	20.7%
Capital Outlay	11,456,114	3,078,371.71	16.8%
Other Outgoing	1,196,279	327,503.42	1.8%
Total amounts	35,937,687	18,275,535.71	100%
TOTAL SALARIES AND BENEFITS		10,170,008	55.65%
TOTAL NON PERSONNEL EXPENSES		8,105,527	44.35%

Norco Actual Expenditures FY 18/19 (Fd 12)



Fund 12, handout by SPP

INSTRUCTIONAL EQUIPMENT FUNDS FY 18/19	NORCO
Carryover amount from FY 17/18	54,597.00
FY 18/19 Revenue	68,550.00
Total FY18/19 Revenue	123,147.00
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FY 18/19 Budget	123,147.00
FY 18/19 Expenses	25,017.00
Estimated Carryforward to FY 19/20	98,130.00
FY 2019/20 Revenue *	64,176.00
Total Budget FY 19/20 *	162,306.00
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* As of 9/10/19	

LOTTERY FUNDS	NORCO
Carryover amount from FY 17/18	235,546.00
FY 18/19 Revenue	369,600.00
Total FY18/19 Revenue	605,146.00
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FY 18/19 Budget	605,146.00
FY 18/19 Expenses	560,373.00
Estimated Carryforward to FY 19/20	44,773.00
FY 2019/20 Revenue *	369,600.00
Total Budget FY 19/20 *	414,373.00
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* As of 9/10/19	

Fund 12 Software and Equipment Purchases

Object	Object Code Description	Adopted Budget	Revised Budget	Rev/ Exp Net of Abatements	Balance as of 6/30/19
5649 Total	Computer Software Maint/Lic	645,313.00	238,528.00	157,091.49	81,436.51
5890 Total	Other Services	1,443,386.00	1,072,291.00	283,322.11	788,968.89
6226 Total	Remodel Projects	55,600.00	127,290.00	116,591.42	10,698.58
6227 Total	Fixtures & Fixed Equip	45,397.00	193,515.00	155,319.87	38,195.13
6481 Total	Equipment Additional \$200-49999	609,561.00	1,292,921.00	805,405.48	487,515.52
6482 Total	Equip Additional \$5000 >	158,903.00	321,719.00	333,072.16	-11,353.16
6485 Total	Comp Equip Additional \$200-4999	861,386.00	1,349,221.00	984,709.91	364,511.09
6486 Total	Comp Equip Additional \$5000	0.00	214,885.00	140,532.53	74,352.47
	Total	3,819,546.00	4,810,370.00	2,976,044.97	1,834,325.03

Norco Holding Accounts *(Handout)*

Projected Carryover balance to FY19/20:

Fund 11 - \$3,544,473

Fund 12 - \$7,226,263

Projected FY 2019/20 Budget :

Fund 11 - \$4,186,545

Fund 12 - \$7,666,799

NC FY 19/20 Proposed Expenditure Plan (One-Time Funds)	Amount
1% of 18/19 Expenditures per BAM requirement	385,651
Technology Replacement Program	450,000
Professional Development	25,000
Set Aside for Resource Allocation/Program Review	180,000
Marketing Initiatives	110,000
Parking Lot A	284,000
Sunshade Project	300,000
Scheduled Maintenance	100,000
Key Access Control	100,000
Way Finding	85,000
Total FY 19/20 Proposed Expenditure Plan	\$ 2,019,651

Budget Allocation Model Update

The Revised Budget Allocation Model was developed to allocate resources around the following core principles:

- 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 an 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.

2020-21 BAM CONCEPT

- 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) wherein enrollment comprises 70% of the apportionment calculation.
- The revised BAM is being developed using the concept of “FTES as Currency”.
- Each FTES generated has a value (currency) that can be assigned based on a “Standard” or “Exchange Rate” for each instructional program or discipline.
- The BAM will use the FTES “Exchange Rates” that are developed to allocate resources 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 “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.)
 - Allocated to disciplines based on the Direct Costs of Instruction FTES Ratio.
- Shared costs (administration/support – Business Services, Student Services and Other)
 - Allocated on the same basis as Non-Instructional costs

Procedural Steps in 2018-19 (cont.)

- Disciplines were grouped into the following categories to derive consistency and comparability among the college:
 - **STEM**
 - **Liberal Arts**
 - **CTE**
 - **“Unique” (Defined as a discipline only offered at one college)**
- Instructional Discipline Cost per FTES by category, was accumulated for each of the following fiscal years, 2015-16, 2016-17, 2017-18 and 2018-19 (estimated), to calculate an average cost per FTES.
 - This was done to smooth out year-over-year cost fluctuations and;
 - To provide for comparison between the colleges for common disciplines.

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

Budget Allocation Budget (BAM)

FY 2019/20 - Expense Budget (Exclude College Specific SPP)		
Norco	Moreno Valley	Riverside City
39,479,905	41,905,658	99,910,472

Revised BAM FINAL BUDGET - FY 2019/20 FY 18/19 MEAN	
19/20 Revenue Allocation	
Direct Instructional, Academic Affairs, Student Services, Business Services and Other Costs	
Norco College	
Total FTES	7,367
Direct Instructional & Academic Affairs Costs	29,544,512
Student Services, Business Services, and Other	10,339,579
Total Norco College \$	39,884,091
Moreno Valley College	
Total FTES	7,336
Direct Instructional & Academic Affairs Costs	31,880,375
Student Services, Business Services, and Other	10,296,394
Total Moreno Valley College \$	42,176,769
Riverside City College	
Total FTES	17,667
Direct Instructional & Academic Affairs Costs	73,220,710
Student Services, Business Services, and Other	24,796,647
Total Riverside City College \$	98,017,357



Budget Allocation Budget (BAM)

Revised BAM	
FINAL BUDGET - FY 2019/20	
Using District-Wide Avg. based on FY 18/19 MEDIAN	
19/20 Revenue Allocation	
Direct Instructional, Academic Affairs, Student Services, Business Services and Other Costs	
Norco College	
Total FTES	7,367
Direct Instructional & Academic Affairs Costs	28,749,112
Student Services, Business Services, and Other	11,084,844
Total Norco College \$	39,833,956
Moreno Valley College	
Total FTES	7,336
Direct Instructional & Academic Affairs Costs	31,154,281
Student Services, Business Services, and Other	11,038,546
Total Moreno Valley College \$	42,192,827
Riverside City College	
Total FTES	17,667
Direct Instructional & Academic Affairs Costs	71,467,474
Student Services, Business Services, and Other	26,583,960
Total Riverside City College \$	98,051,434

FY 2019/20 - Expense Budget (Exclude College Specific SPP)		
Norco	Moreno Valley	Riverside City
39,479,905	41,905,658	99,910,472

Budget Allocation Budget (BAM)

FY 2019/20 - Expense Budget (Exclude College Specific SPP)		
Norco	Moreno Valley	Riverside City
39,479,905	41,905,658	99,910,472

Revised BAM	
FINAL BUDGET - FY 2019/20	
Using FY 18-19 Actual Cost	
19/20 Revenue Allocation	
Direct Instructional, Academic Affairs, Student Services, Business Services and Other Costs	
Norco College	
Total FTES	7,367
Direct Instructional & Academic Affairs Costs	28,040,467
Student Services, Business Services, and Other	10,780,494
Total Norco College	\$ 38,820,961
Moreno Valley College	
Total FTES	7,336
Direct Instructional & Academic Affairs Costs	34,427,786
Student Services, Business Services, and Other	10,735,467
Total Moreno Valley College	\$ 45,163,253
Riverside City College	
Total FTES	17,667
Direct Instructional & Academic Affairs Costs	70,239,942
Student Services, Business Services, and Other	25,854,061
Total Riverside City College	\$ 96,094,003

“TO DO” Tasks in 2019-20

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

Questions?