

NC 20-21 Adopted Budget Overview

Dr. Michael Collins, VP of Business Services

19-20 End-of-Year Budget Performance Report

End of the Year Budget Performance Report.

Fund 11 Revised budget = \$45,521,629.00
 Actual Expenses = \$44,565,085.57
 Balance = \$525,809.36 (Bal. includes holding accounts)

- **Fund 11 Carryover balance \$ 2,793,287**

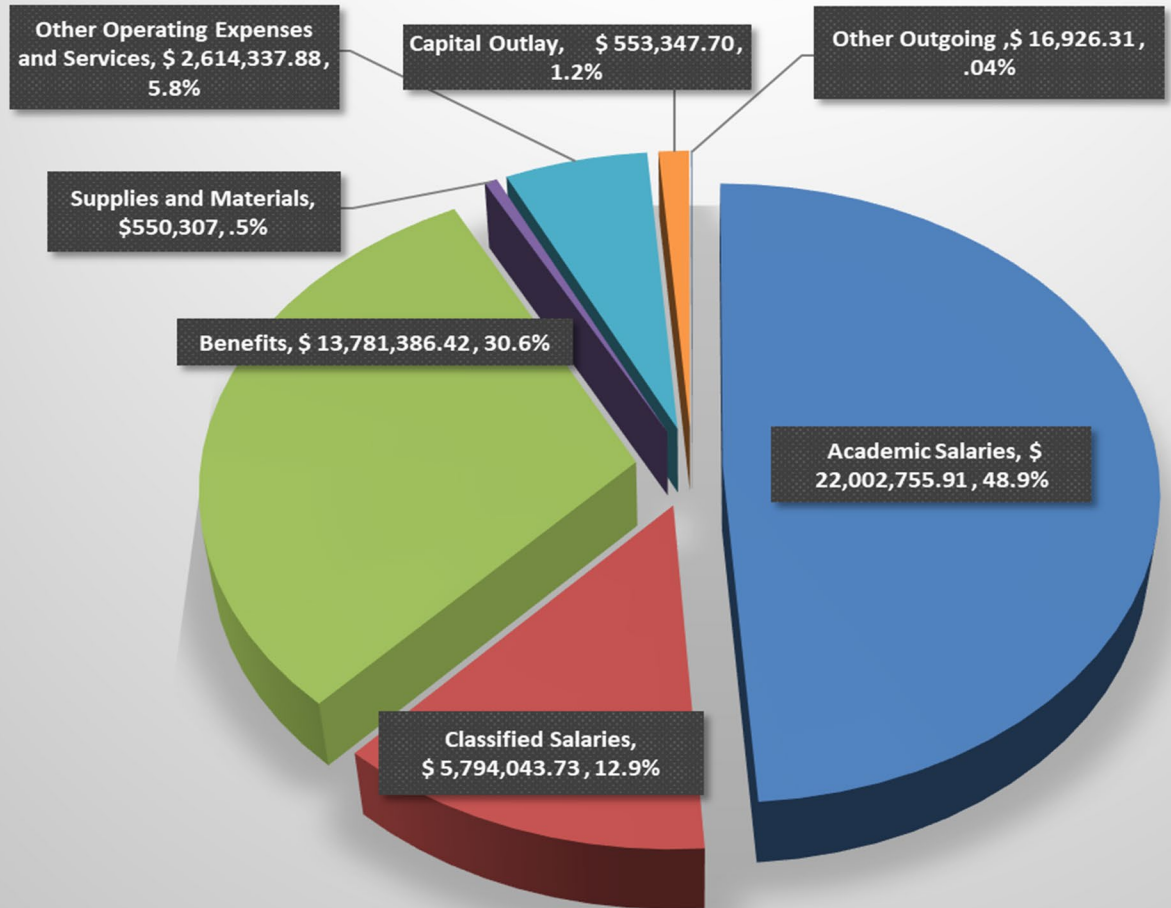
FY 19/20 Year-End Budget Performance Report

Fund 11

FUND 11				
BUDGETED EXPENSES	FY 19/20 Revised Budget	19/20 Actual Expenses 6/30/20	Balance as of 6/30/20	% of total expenses
Academic Salaries	20,551,466	22,002,755.91	(1,451,289.91)	48.9%
Classified Salaries	5,895,979	5,794,043.73	101,935.27	12.9%
Benefits	11,384,440	13,781,386.42	(2,396,946.42)	30.6%
Total Salaries & Benefits	37,831,885.00	41,578,186.06	(3,746,301.06)	92.40%
Supplies & Materials	1,220,530	233,021.69	987,508.31	0.5%
Services & Operating Expenses	5,738,131	2,614,337.88	3,123,793.12	5.8%
Capital Outlay	702,675	553,347.70	149,327.30	1.2%
Total Outgo	28,408	16,926.31	11,481.69	0.0%
Total Non-Salary	7,689,744.00	3,417,633.58	4,272,110.42	7.60%
Total Budgeted Expenses (includes holding accts)	45,521,629	44,995,819.64	525,809.36	100%

DOES NOT
INCLUDE
DISTRICT
EXPENSES

Norco Actual Expenditures FY 19/20 (Fd 11)



Ongoing Budget Challenges

19/20

- Part Time & Overload, Academic, ***Inst. Salaries.***
 - Budget \$7,731,597
 - Actual \$8,621,868.53
- 13xx's accounts overspent by **\$-890,271.53**
Adopted Budget FY 20/21 \$6,974,748

19/20

- Part Time & Overload, Academic, ***Non-Inst. Salaries.***
 - Budget 527,980.00
 - Actual 1,139,277.51
 - Mainly PT Counselors and PT Librarians
- 14xx's accounts overspent by **\$-611,297.51**
Adopted Budget FY 20/21 \$530,633

**(Fixed cost is not included)*

Lottery and Instructional Equipment

LOTTERY FUNDS	Norco
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 available funds FY 19/20	414,373.00
FY 19/20 Actual Expenses	325,694.93
Estimated Carry forward to FY 20/21	88,678.07

INSTRUCTIONAL EQUIPMENT FUNDS	NORCO
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 Available funds FY 19/20	162,306.00
FY 19/20 Actual Expenses	104,595.16
Carryover to FY 20/21	57,710.84

No New I.E funds in FY 20/21

ALL FUNDS		
SOFTWARE AND EQUIPMENT PURCHASES FY 19/20		
Object	Description	Total Expenses as of 6/30/20
5649	Computer Software Maint/Lic	258,680.97
5890	Other Services	738,828.14
6226	Remodel Projects	759,043.69
6227	Fixtures & Fixed Equip	109,769.13
6481	Equipment Additional \$200-49999	403,628.24
6482	Equip Additional \$5000 >	193,142.52
6485	Comp Equip Additional \$200-4999	474,075.77
6486	Comp Equip Additional \$5000	29,223.92
	Total	2,966,392.38
* Includes holding accounts, I.E. and Lottery funds		

2020-21 Adopted Budget “Highlights”

- 2020-21 Governor’s January Prop 98 proposal was \$84 billion. The Adopted Budget estimate is \$70.9 billion. **\$13.1 billion lower!**
- 2020-21 revenue is basically flat, expenses increase by \$8 million district-wide
- No FTES growth funding or COLA provided by the state for 2020-21
- No instructional equipment or scheduled maintenance funding provided by the state
- Apportionment and categorical programs funded at 2019-20 levels
- Student Centered Funding Formula hold harmless provisions through 2023-24
- College/District one-time savings plans are in place for the 2020-21 budget year
- \$22.5 million in one-time COVID-19 Pandemic Relief Funding for 2020-21 District budget

2020-21 Adopted Budget “Highlights”

- Our District share of total apportionment deferrals is \$46.81 million
- TRAN in November, borrow from internal funds first to reduce the TRAN \$
- \$1.9 million State deficit factor applied to our (.95%) District apportionment revenue
- Reduced CalSTRS and CalPERS employer contribution from May Revisability still exists, just punted to out-years
- 3.2 million was budgeted from District reserves to other funds to mitigate 2020/21 lost revenue and to continue payment of S&B

20-21 District Budget Picture

- \$520,000 decrease in 2020-21 Ongoing District Revenue
- \$8 million in cost increases for 2020-21
 - 2% increase for FT salaries
 - 2.5% increase for PT faculty salaries
 - Step/Column/Growth/Placement/Classification
 - PERS (20.70%)
 - Health Insurance (Rate changes, Plan migration, Retiree coverage)
 - 16 new FT Faculty positions
 - New Distance Ed positions
 - PT faculty harassment training

NC 20-21 Savings Plan

- Holding Faculty (4), Management(1) and Classified positions (1 FT,2 PT) = \$812,775
- Utilities Savings Due to College Closure - average 16% reduction = \$100,000
- Travel Restrictions (mileage, conferences) - 40% reduction = \$17,383
- Total Savings =\$930,158

NC FY 20/21 Holding Accounts Proposed Expenditure Plan

Holding Account Beginning Balance FY 20/21	\$ 2,793,287
NC FY 20/21 Proposed Expenditure Plan (One-Time Funds)	Amount
1% of 19/20 Expenditures per BAM requirement	415,782
Technology Replacement Program. AV Equipment Replacements/Computers	100,000
Professional Development	15,984
Set Aside for Resource Allocation/Program Review	60,000
Scheduled Maintenance (Additional Cost from SPP 655)	42,740
Personnel Expenses/other operating expenses (SPP 797 and SPP 738 ongoing expenses)	599,203
Facilities Operations/Dept Operations	50,000
VRC Project Local Match	1,200,000
Contingency for College Operational Emergencies	309,578
Total	2,793,287
Total SPPs 993,997,999	787,603
Total	3,580,890
Key Access Control (RDA funding Fund 12)	80,000

20-21 NC Budgeted Expenditures

FUND 11			
BUDGETED EXPENSES	FY 19/20 Revised Budget	Adopted Budget FY 20/21	Diff. 19/20 vs 20/21
Academic Salaries	20,551,466	20,476,205	(75,261)
Classified Salaries	5,895,979	5,916,608	20,629
Benefits	11,384,440	10,917,670	(466,770)
Total Salaries & Benefits	37,831,885.00	37,310,483	(521,402)
			-
Supplies & Materials	1,220,530	1,196,859	(23,671)
Services & Operating Expenses	5,738,131	4,984,023	(754,108)
Capital Outlay	702,675	257,622	(445,053)
Total Outgo	28,408	294,535	266,127
Total Non-Salary	7,689,744.00	6,733,039.00	(956,705)
Budgeted Expenses (includes holdin	45,521,629.00	44,043,522.00	(1,478,107.00)

Fund 12 covers 10.3 million in salaries and benefits.

COVID -19 & CARES Funding

Funding	Amount	Expiration	Notes
CARES I – Emergency Aid To Students	\$9,018,216		Distributed to students for COVID-19 related financial needs due to disruption in in-person instruction MVC @ \$1,840,922, NC @ \$1,761,528, RCC @ \$5,415,766 No SPP number needed, goes through <u>Datatel</u> To Date \$4,282,838 dispersed
CARES II –Institutional (SPP 223)	\$9,018,216	May 2021	To support institutional needs related to COVID-19 MVC @ \$1,840,922, NC @ \$1,761,528, RCC @ \$5,415,766 To <u>Date</u> \$2,351,220.01 has been spent and encumbered.
CARES III – MSI/HSI (SPP 224)	\$ 1,158,629	May 2021	MVC @ \$239,006, NC @ \$231,694, RCC @ \$687,929
COVID-19 Response Block Grant– Federal (SPP 130)	\$1,465,004	December 30, 2020	The funds should be used on activities that directly support student learning, continuity of education, and mitigate learning loss related to COVID-19. Not to be used on lost revenue, insurance, payroll/benefits, overtime, severance, pay or legal settlements
COVID -19 Response Block Grant – State (SPP 159)	\$1,798,311	June 30, 2022	The funds should be used on activities that directly support student learning, continuity of education, and mitigate learning loss related to COVID-19. Not to be used on lost revenue, insurance, payroll/benefits, overtime, severance, pay or legal settlements
COVID Holding Account (SPP 587)			Pass through until determination is made for funding source

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.

20-21 District Revenue Allocation By College

• RCC	\$114,353,842	54.466%	20-21 FTES Target= 17,219
• NC	\$46,818,345	22.299%	20-21 FTES Target= 7,366
• MVC	\$48,782,566	23.235%	20-21 FTES Target= 7,272
• DIST	\$31,282,791	Expenses covered by college allocation ratio	

20/21 Budget Allocation Model Update

Revised BAM FINAL BUDGET - FY 2019/20 FY 18/19 MEAN USED FOR FY 19/20 FINAL BUDGET				Revised BAM FY 2020-21 TENTATIVE BUDGET FY 18/19 MEDIAN			
19/20 Revenue Allocation Direct Instructional, Academic Affairs, Student Services, Business Services and Other Costs				20/21 Revenue Allocation Direct Instructional, Academic Affairs, Student Services, Business Services and Other Costs			
Norco College				Norco College			
Total FTES	7,367			Total FTES	7,366		
Direct Instructional & Academic Affairs Costs	29,544,512			Direct Instructional & Academic Affairs Costs	28,292,863		
Student Services, Business Services, and Other	10,339,579			Student Services, Business Services, and Other	18,525,482		
Total Norco College	\$ 39,884,091	22.15%		Total Norco College	\$ 46,818,345	22.299%	
Moreno Valley College				Moreno Valley College			
Total FTES	7,336			Total FTES	7,272		
Direct Instructional & Academic Affairs Costs	31,880,375			Direct Instructional & Academic Affairs Costs	30,493,494		
Student Services, Business Services, and Other	10,296,394			Student Services, Business Services, and Other	18,289,072		
Total Moreno Valley College	\$ 42,176,769	23.42%		Total Moreno Valley College	\$ 48,782,566	23.235%	
Riverside City College				Riverside City College			
Total FTES	17,667			Total FTES	17,219		
Direct Instructional & Academic Affairs Costs	73,220,710			Direct Instructional & Academic Affairs Costs	71,048,057		
Student Services, Business Services, and Other	24,796,647			Student Services, Business Services, and Other	43,305,785		
Total Riverside City College	\$ 98,017,357	54.43%		Total Riverside City College	\$ 114,353,842	54.466%	
	\$ 180,078,217				\$ 209,954,754		
FY 20/21 Assumptions:				***FY 20/21 District Expenses/Revenue Included in College Allocation***			
Assumed Median district-wide cost for STEM, LA, CTE, SS, BS and Other				***FY 19/20 Did not include Expense/Revenue in College Allocation***			
Assumed Actual Cost for Unique Programs							
Escalation calculation: Contract and Cola and STRS at 2% and 3.26% and 5.037% for FY 19/20							
Escalation calculation: Contract and Cola and STRS at 2% and 2.86% and 7.602% for FY 20/21							

BAM “TO DO” Tasks in 2020-21

- Analyze and justify “Unique” disciplines – Will continue to work on this in FY 20/21
- Develop a treatment for “District Operations” costs – Task partially completed.
- Establish the “Exchange Rate” (mean or median) for discipline categories. **Task completed in 19-20, Median rate established.**
- Model revenue flow through the revised BAM- determine true impacts to the college. Task completed in 19-20, ongoing work to update cost/FTES by discipline in 20-21
- Analyze/implement budget development improvements that allow for planning. In progress
- Analyze strategic programs/considerations that impact the cost of an FTES. In Progress
- Further consider the “Comprehensive College” allocation. In progress
- Prep for implementation of the revised BAM in 2021-22 budget year. In Progress