

# RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

2323 N. Broadway, Santa Ana, California 92706

Office: (714) 480-7321 Fax: (714) 796-3935

## Budget Allocation and Planning Review Committee

### Agenda for January 23, 2013

1:30 p.m. - 3:00 p.m.

District Office Board Room

1. Welcome/Introduction
2. State/District Budget Update-Peter Hardash
  - Discuss [Governor's 2013-14 Proposed Budget](#)
  - Board Budget Update January 14, 2013
  - [LAO Overview of Governor's 2013-14 Proposed Budget](#)
  - [CCLC/Chancellor's 2013-14 State Budget Webinar Presentation January 14, 2013](#)
  - CCCCCO Chancellor Brice W. Harris Lauds Gov. Brown's Budget Proposal that Increases Funding, Improves Online Education January 10, 2013
  - SSC Governor Releases Budget Proposals for 2013-14 (part 1) January 11, 2013
  - SSC Governor's Proposals for the 2013-14 State Budget and Education (part 2) January 11, 2013
3. Midyear Updates
  - Property Tax Revenue Update
  - Unrestricted General Fund Expenditure Update
  - FTES Update as of January 7, 2013 at (P1)
4. Membership
  - Election of 2012-13 Co-Chair - **Action Item**
5. Committee Updates
  - Human Resources Committee
  - District Facility Planning Committee
  - Technology Advisory Group
  - Accreditation Update-John Didion
    - Planning and Organizational Effectiveness Committee
  - SB361 BAM Implementation Technical Committee
6. Informational Handouts
  - District-wide expenditure report link: <https://intranet.rscsd.edu>
  - Vacant Funded Position List as of January 15, 2013
  - Monthly Cash Flow Statement as of December 31, 2012
  - Measure "E" Project Cost Summary as of January 10, 2013
7. 2013-2014 Budget Calendars - **Action Item**
8. Approval of BAPRC Minutes – November 28, 2012
9. Other

**Next BAPR (FRC) Committee Meeting:** (District Office Board Room 1:30 pm – 3:00 pm)

February 20, 2013

March 20, 2013

April 17, 2013

May 29, 2013

June 5, 2013



2012-2013  
Budget Update  
Governor's 2013-2014 Proposed  
Budget

Board of Trustees Meeting  
January 14, 2013

# State Budget Update Governor's Proposed Budget

- Proposed Budget released January 10<sup>th</sup>
- Governor proclaims budget is balanced
- Focus on education
- Finally some good news!
- Prop 30 funds provide additional Prop 98 funding
  - Approximately 50% of new tax revenues subject to Prop 98
  - \$2.7 billion more for K-14 education

# State Budget Update Governor's Proposed Budget Community Colleges Impact

- No increase to student enrollment fees
- \$196.7 million (3.6%) in apportionment funding
  - Approximately \$5 million for RSCCD
  - Subject to BOG defining distribution
- \$179 million for partial deferral buy down
  - “Wall of Debt”
  - No net increase in funding for RSCCD
  - State buying back about \$4.5 million in IOU's to RSCCD
- \$133.2 million in increased state general funds to offset redevelopment agency dissolution revenues not materializing
  - No net increase in funding for RSCCD

State Budget Update  
Governor's Proposed Budget  
Community Colleges Impact

- \$16.9 million to increase access to matriculated students through the use of online technology
  - Statewide system centrally run as a “portal” to all district’s online courses
    - RSCCD share of funds unknown
    - Not a “virtual college”
- Require all students seeking BOG fee waivers to complete a FAFSA
  - To minimize BOG fee waiver costs to the state

State Budget Update  
Governor's Proposed Budget  
Community Colleges Impact

- Shift remaining Adult Education programs (approximately 30%) to the community college system
  - \$300 million shift within Prop 98 from K-12 to community colleges
  - “new block grant based on number of students served and only for core instructional areas”
- Change census date based apportionment funding to completion rates
  - Add a second census date at the *end of each term*
  - Blended census counts
  - Five year transition of relative weight of census dates
  - After fifth year of transition, funding will be solely based on completion date census
  - Any loss of funds transferred to student services categorical programs

State Budget Update  
Governor's Proposed Budget  
Community Colleges Impact

- Create a \$49.5 million energy efficient fund (Prop 39) for energy efficient projects
  - Per FTES funding for all districts
    - RSCCD “FTES share” = \$1.2 million
  - Prop 39 funds used to fund Prop 98 minimum funding guarantee
- Limit state supported instruction to 90 units
  - State will not provide funds over 90 units
  - Charge tuition at “full cost”

## State Budget Process

- Governor's Proposed Budget just starts state budget discussions for 2013-2014
  - Not much happens until May
- May Revise (expected May 14) updates state revenues and expenditures
  - This is generally when serious budget discussions start
- Legislature has a June 15<sup>th</sup> deadline to enact a state budget to forward to Governor



# CALIFORNIA COMMUNITY COLLEGES

---

## CHANCELLOR'S OFFICE

### PRESS RELEASE

January 10, 2013

Contact: Paige Marlatt Dorr

Office: 916.327.5356

Cell: 916.601.8005

Office E-mail: [pdorr@cccco.edu](mailto:pdorr@cccco.edu)

Mobile E-mail: [pmarlatt@comcast.net](mailto:pmarlatt@comcast.net)

### **California Community Colleges Chancellor Brice W. Harris Lauds Gov. Brown's Budget Proposal that Increases Funding, Improves Online Education** *Nearly \$200 million in added funding would expand opportunities for students*

*SACRAMENTO* -- California Community Colleges Chancellor Brice W. Harris today praised Gov. Jerry Brown for including in his proposed 2013-14 budget additional funding for community colleges and for his leadership of an initiative to help more students achieve their academic and career goals through improved online education.

"Governor Brown's leadership in passing Proposition 30 means California community colleges can begin to make room for some of the hundreds of thousands of students who have been shut out of our system due to recent funding cuts," Harris said. "This budget represents a good start toward financial recovery for our system. The governor and voters deserve credit for beginning this overdue reinvestment."

The governor's budget would provide \$197 million more to the college system in 2013-14 and directs the California Community Colleges Board of Governors to determine the best way to allocate the money to districts. The funding increase would allow colleges statewide to add back thousands of classes to serve some of the nearly 500,000 students turned away over the past four years during the state's financial crisis and at the same time continue the system's work to improve student success.

The additional funds, as well as \$179 million to make good on funding commitments that were deferred during the recession, will leave colleges with less debt and better positioned to meet the needs of an economy that increasingly is demanding college-educated workers.

Harris said that the California community college system has already laid the groundwork for the governor's desire to improve online education. Twenty-seven percent of community college students take at least one course online each year, nearly 17 percent of all courses offered are through distance education, and almost half of all classes currently offered involve some online components. The California Community College Online Initiative would improve students' access to courses and increase rates of transfer and degree attainment in the following ways:

- MORE -

2-2-2

- Creation of a centralized “virtual campus” that brings together several existing distance education services into a single hosting system with a 24/7 support center for students. Leveraging the purchasing power of the 112-college system would save money and help students find and take the courses they need through a common on-line course management portal.
- Expanded options for students to obtain college credit by exam. Working with the Academic Senate for California Community Colleges, the Chancellor’s Office will create challenge exams for core courses for Associate Degree for Transfer majors as well as remedial courses. Students would have the option of acquiring the skills and knowledge necessary to pass these exams through Massive Open Online Course (MOOCs) and credits awarded would be transportable California State University and the University of California.

The governor’s budget proposal also recognizes the significant role California’s community colleges play in workforce development, with significantly expanded resources for clean energy job training. The proposal also calls for shifting additional apprenticeship responsibilities to community colleges and shifting adult education responsibilities performed by K-12 to the community colleges. Over decades, uneven approaches to adult education have developed, with K-12 educating some students and community colleges educating others. Recent funding cuts have limited access to these classes, which help adults become economically self-sufficient.

“We view this budget proposal as a vote of confidence in our ability to provide workforce training and basic skills instruction to adult learners, and we look forward to conversations on ways to better serve these populations,” Harris said.

**EDITOR’S NOTE:** To see more about the California Community Colleges’ distance education program, go to the fact sheet at:

[http://californiacommunitycolleges.cccco.edu/Portals/0/DocDownloads/PressReleases/JAN2013/DistanceEducationFactSheet\\_FINAL\\_011013.pdf](http://californiacommunitycolleges.cccco.edu/Portals/0/DocDownloads/PressReleases/JAN2013/DistanceEducationFactSheet_FINAL_011013.pdf).

*The [California Community Colleges](#) is the largest system of higher education in the nation. It is composed of 72 districts and 112 colleges serving 2.4 million students per year. Community colleges supply workforce training, basic skills courses in English and math, and prepare students for transfer to four-year colleges and universities. The Chancellor’s Office provides leadership, advocacy and support under the direction of the Board of Governors of the California Community Colleges.*

###

# **The COMMUNITY COLLEGE UPDATE**

Copyright © 2013 School Services of California, Inc.

Volume 26

For Publication Date: January 11, 2013

No. 1

## Governor Releases Budget Proposals for 2013-14

### Overview

The purpose of this article is to provide a quick overview of Governor Jerry Brown's assertions regarding the 2013-14 State Budget. We address topics highlighted by Governor Brown, but reserve our commentary for inclusion in a more detailed *Community College Update* article to be released later today as we complete our analysis of the information that is currently available.

Governor Brown's Budget Proposals for 2013-14 reflect the fact that the state economy is no longer shrinking and that Proposition 30 has taken the pressure off the state to make even larger Budget reductions. Governor Brown proposes higher funding for K-12 education, community colleges, and higher education. He also uses a very aggressive longer term economic forecast to predict dramatic future growth in education funding.

Governor Brown proposes to invest in education and build for the future rather than increasing consumption of social services in the present. Proposition 98 funding reached an all-time high of \$56.6 billion in 2007-08. Proposition 98 funding for K-14 education then slipped to \$47.3 billion for the 2011-12 year. The Budget includes Proposition 98 funding of \$56.2 billion for 2013-14, an increase of \$2.7 billion over revised funding levels for the 2012-13 year. The Budget also proposes repayment of approximately \$2 billion in deferred payments to K-14 education.

### Community College Apportionments

For community colleges, Governor Brown's Budget proposes an increase of \$196.9 million (or 3.6% increase) to base apportionments, to be allocated between workload restoration and a cost-of-living adjustment as determined by the Board of Governors (BOG). In addition, the Budget includes a deferral buy down of \$179 million, providing more cash for community colleges during the operational year. Governor Brown proposes no changes to current fee levels, though proposed policy changes could affect what community colleges charge their students (more below).

### Adult Education

On the heels of the Legislative Analyst's Office (LAO's) report on Adult Education (see ["LAO Recommendations for Adult Education,"](#) in the January 11, 2013, *Community College Update*), Governor Brown proposes to move Adult Education programs out of K-12 education and give community colleges the sole responsibility to offer the programs. The Budget proposes an increase of \$315 million to community colleges to support transfer of the program:

- \$300 million in new Proposition 98 funding to support a comparable K-12 Adult Education service delivery system within the community colleges
- A \$15.7 million shift in funding to move the Apprenticeship Program from K-12 education to community colleges
- Funding will be allocated from a new block grant only for core instructional areas such as vocational education, English as a second language, elementary and secondary education, and citizenship
  - If community colleges offer "non-mission" courses, students will be required to pay the full cost of instruction

### Other Funding and Policy Proposals

Governor Brown's Budget proposes a variety of new funding streams that would affect how community colleges operate.

### **Technology Funds**

Emphasizing affordability and improving time-to-completion rates, Governor Brown proposes to provide \$16.9 million to increase the number of courses available through the use of technology for:

- Creation of a "virtual campus" to increase statewide access to 250 new courses delivered through technology
- Creation of a common centralized delivery and support infrastructure for all courses delivered through technology and for all colleges
- Expansion of options for students to earn college credit for demonstrated knowledge and skills through credit by exam

### **Energy Efficiency Projects**

Schools and community colleges also benefit from the passage of Proposition 39, the California Clean Energy Jobs Act. For 2013-14, Proposition 39 will result in a \$526 million increase in the Proposition 98 guarantee level. The Budget dedicates \$450 million of this to schools and community colleges for energy efficiency projects, which would become \$550 million in each of the subsequent four years. For 2013-14, \$49.5 million of these funds would be dedicated specifically to community colleges for these projects. Community colleges can use the funds to expand career-technical educational training and on-the-job work experience training.

### **Cap on Credit Units**

In addition to direct funding proposals, Governor Brown outlined policy changes that would affect how funding is ultimately allocated. All three higher education systems would have caps placed on the number of units a student can take—in the case of community colleges, the cap would be at 90 semester credit units. Students who exceed this cap would be required to pay the full cost of instruction; districts would be able to grant waivers on a case-by-case basis, but would not receive state funding for these students.

### **Funding Basis**

As in past years, Governor Brown proposes to apportion funding to community colleges based on course completion instead of the current census date enrollment; the shift would be phased in over several years to allow for adjustment, and funds that result from this shift would be invested in higher apportionment rates and student support services for colleges with higher non-completion rates.

### **BOG Fee Waivers**

Governor Brown also proposes a requirement that students seeking a BOG fee waiver fill out a Free Application for Federal Student Aid and include both parent and student income to determine waiver eligibility. The intent of the proposal is to generate additional federal financial aid resources for students and colleges and to reinvest any savings to increase course offerings and student services.

### **Current-Year Adjustments**

Governor Brown also proposes adjustments for the current year, increasing funding by \$47.8 million to offset lower-than-anticipated property tax revenues from the elimination of redevelopment agencies and decreasing funding by \$12.6 million because of lower-than-anticipated BOG fee waivers.

### **More to Come . . .**

This very broad extract of Governor Brown's Budget Proposals is provided to keep you informed. Many of the proposals are being provided for the first time and without any detail. Over the next few hours and

days, we will be working to distill the information and make it actionable for community colleges in local budget planning.

Stay tuned for more details . . .

—*Sheila G. Vickers and Michelle McKay Underwood*

posted 01/10/2013

# **The COMMUNITY COLLEGE UPDATE**

Copyright © 2013 School Services of California, Inc.

Volume 26

For Publication Date: January 11, 2013

No. 1

## Governor's Proposals for the 2013-14 State Budget and Education

The purpose of this article is to provide a complete overview of the education portion of the Governor's Budget Proposal for 2013-14. As always, we will continue to research details and provide updated commentary through additional articles in our *Community College Update* publication as more detail becomes available.

The Governor, during his press conference, described the state's 2013-14 Budget as a "live within our means budget." He went on to describe the "wall of debt" and other challenges that face the state, but he also lashed out at those who have already characterized California as a "failed state." On this point we definitely agree with the Governor.

Our theme for this year is a little different than the Governor's. We don't think that living within our means itself a very lofty goal; or should it be our only objective. We think it is time to look at what we do have—not what we don't have and move public education forward. Today's students will not be able to say, "Gosh, I just happened to go through my education when there was no money." They deserve a fair chance. We think the theme for this year is "Recovery Starts Now."

As we detail below, the Governor clearly intends to increase apportionment funding for the first time in more than five years and gives the Board of Governors the authority to determine its application. The Governor's plan is accompanied by an optimistic estimate of the resources that will be devoted to public education in the future. His plan succeeds if and only if those resources materialize. How many times have we seen overly optimistic plans dash our hopes for a brighter tomorrow?

As a result, we offer a reminder that the Governor's Budget marks the beginning of the Budget process—not the end. We will update and revise our materials as necessary through the year to keep you informed. But, no matter how these issues shake out, we much prefer a discussion about how to allocate new dollars than a discussion of how to plan for another cut.

### **The Economy and Revenues**

#### **The Economy**

It has been five years since the U.S. economy plunged into what has been dubbed the "Great Recession" and three and a half years since the recovery officially began. While the overall picture of the economy is not getting worse and signs of strength are emerging in various economic sectors and regions of the country, there remains considerable concern that job growth has been far too slow.

U.S. nonfarm employment peaked in 2007 at 137.6 million and hit a low of 129.9 million in 2010. In the fourth quarter of 2012, the number of payroll jobs reached 133.9 million. According to economists with the UCLA Anderson Forecast, U.S. employment levels are not expected to reach the prerecession peak until 2014, seven years after the recession began.

The reason for the slow pace of recovery is that this downturn is unlike past recessions. In a typical business cycle, the downturn is followed by strong consumer spending and an increase in demand for housing. This increase in consumer spending is then followed by business investment.

The current recovery, by contrast, has seen only tepid increases in consumer spending, and, until recently, flat demand for housing. Economists have explained that this weak consumer demand is due to

deleveraging or, in other words, the rebalancing of family balance sheets and personal finances. During the run up to the collapse, consumers saddled themselves with ever greater levels of debt, including home mortgages, and now must rebalance their portfolios through greater savings and less spending. Thus, the typical engine for economic recovery is not in place during this current recovery.

In this environment, the Governor's Budget forecasts modest growth in the state and national economies for the upcoming year. Citing improvements in the housing and credit markets, coupled with improving consumer confidence, the Department of Finance (DOF) forecasts an uptick in U.S. real gross domestic product (GDP), the broadest measure of the national economy, rising from a 1.0% growth rate in the fourth quarter of 2012 to 2.5% growth one year later. By the end of 2014, the DOF anticipates GDP growth reaching 3.7%.

The U.S. will continue to add jobs, but at a slow pace relative to previous recoveries. Wage and salary employment is expected to increase only 1.6% from 2013 to 2014, with the unemployment rate dropping to 7.4%. The outlook for inflation continues to be favorable, with the Consumer Price Index remaining at about 2% for both 2013 and 2014.

For California, the DOF expects the state economy to follow the national trend, with only modest growth over the next two years. An improving real estate market and more optimistic consumers are expected to lead to better, though still relatively weak, job growth. The DOF notes that defaults on residential property in the third quarter of 2012 were down 31% from one year earlier and were the lowest level since the first quarter of 2007.

The DOF also notes that historically personal income growth in California outpaces the nation's as a whole. Between 1980 and 2011, California's personal income grew at an annual average rate of 6.1% compared to 6% for the nation. Thus far, however, the state's recovery has lagged the nation, in large part due to the steep drop in home prices and sales following the collapse in 2008. California was the epicenter of the subprime mortgage debacle.

For 2013 and 2014, the forecast for California is for accelerating personal income growth of 4.3% and 5.5%, respectively. The state's unemployment rate, however, will continue to be above the national average during this period, dropping from 9.6% in 2013 to 8.7% in 2014.

Finally, the Governor's Budget identifies four primary sources of risk to the forecast: (1) failure of the federal government to effectively deal with the "fiscal cliff" and debt ceiling, (2) the global economic slowdown, especially in China, (3) the fragile nature of the overall recovery, and (4) healthcare costs.

## **State Revenues**

With the passage of Proposition 30 in November 2012, the greatest risk to the 2012-13 State Budget has been averted. The Budget was built on the assumption that the higher sales and income taxes would be approved by state voters. In addition, voters approved Proposition 39 which established a single sales tax for out-of-state corporations. Together both measures are expected to generate \$5.8 billion in additional General Fund revenues in 2013-14, or 5.9% of the total estimated revenues.

The Governor's Budget indicates that revenues in the current year are \$493 million lower than previously forecast, while revenues for 2013-14 are forecast to be about \$2.4 billion higher, partly due to the passage of Proposition 39. It is important to note that, even with the higher taxes from the two voter-approved measures, General Fund revenues in 2013-14 are forecast to be \$4.0 billion less than the previous high of \$102.6 billion in 2007-08, the year before the onset of the Great Recession.

The Governor's Budget projects General Fund revenues and transfers totaling \$98.5 billion in 2013-14, a 3.3% increase from the revised current year level. Of this total, the personal income tax is expected to contribute almost \$62.0 billion, or about two-thirds of the total, followed by the sales and use tax at \$23.3 billion and the corporation tax at \$9.1 billion.

## **Proposition 98**

Proposition 98 sets, in the State Constitution, a series of complex formulas that establish the minimum funding level for K-12 education and the community colleges from one year to the next. This target level is determined by prior-year appropriations that count toward the guarantee, plus (1) workload changes as measured by the change in average daily attendance (ADA) and (2) inflation adjustments as measured by the change in either per-capita personal income or per-capita state General Fund revenues, whichever is less. Under certain circumstances the minimum level is set by a fixed percentage of General Fund revenues, called "Test 1," and it is this percentage that determined the Proposition 98 funding level for both 2011-12 and 2012-13. For 2013-14 the Governor's Budget projects that the Proposition 98 minimum guarantee will be determined by Test 3, increasing the guarantee based on the change in per-capita state General Fund revenues.

When the 2012-13 budget was enacted in June 2012, the Proposition 98 minimum guarantee was pegged at \$53.6 billion and assumed that additional tax revenues from a proposed ballot initiative that had not yet been approved by voters (Proposition 30) would be available to fund it. Fortunately, voters did support higher taxes to sustain funding for education programs by approving the initiative and the mid-year revised estimate of Proposition 98 revenues for 2012-13 is \$53.5 billion, a slight decrease from the level forecast in the 2012-13 Adopted Budget. The Governor's Budget does not propose to reduce the current year appropriation as a result of the drop in the minimum guarantee but rather allocates these funds to prefund obligations under the terms of the CTA v. Schwarzenegger settlement agreement (the Quality Education Investment Act).

For 2013-14, the Budget projects that the Proposition 98 guarantee will grow to \$56.2 billion, a \$2.7 billion increase which comes from a combination of anticipated growth in base state revenues and a Proposition 98 share of the newly approved temporary tax increase. In addition, a one-time 2012-13 expenditure of \$2.2 billion to partially buy back inter-year deferrals of state apportionments for schools and community colleges becomes available in the Budget year to meet new K-14 education spending priorities.

### **Redevelopment Agencies**

In 2001, approximately 400 redevelopment agencies (RDAs) were eliminated, releasing \$5.0 billion in local property tax revenues to retire pre-existing obligations of RDAs and fund local government services, including school districts. Any property tax revenue remaining after the pre-existing obligations are paid is distributed to the affected taxing entities based on their property tax share. In those areas that contained RDAs, the Governor's Budget estimates that in the current year and budget year approximately \$1.6 billion will be distributed back to counties, \$1.2 billion will be distributed back to cities, and \$400 million will be distributed back to special districts. The additional property tax revenue received by K-14 schools generally offsets the state's Proposition 98 General Fund costs on a dollar-for-dollar basis.

Because of a lack of information about RDA expenditures prior to their dissolution, accurately estimating the property tax revenue available for the affected taxing entities after the payment of enforceable obligations has been difficult. Since 2011, information reported about RDA obligations has improved the ability to more accurately estimate the future Proposition 98 General Fund savings stemming from the RDA dissolution process. As such, the Budget includes Proposition 98 State General Fund savings totaling \$2.1 billion in 2012-13 and \$1.1 billion in 2013-14. This is revised downward from the 2012 Budget Act estimate of \$3.2 billion in 2012-13 and \$1.6 billion in 2013-14.

Action taken in Budget trailer bill legislation enacted this past year affects RDA pass-through payments to educational agencies, requiring that payments terminate at the time that RDAs' enforceable obligations are fully retired. A portion of RDA pass-through payments received by LEAs is currently retained locally for use on facility-related expenses as allowed under statutes. The loss of these funds as RDA obligations wind down can significantly impact those local educational agencies that are receiving them, and mitigation of that impact will be a budget issue for 2013-14.

### **Multi-Year Stable Funding Plan**

Without providing details, the Governor sets up expectations for the higher education segments. The University of California (UC), the California State University (CSU), and the California Community College

systems are all proposed to receive a funding increase of 5% in 2013-14. In subsequent years, the UC and CSU systems are slated to receive an additional 4% in funding each year and the community college funding is to "grow significantly". With these increases, the Governor's Budget states that the institutions will be expected to use the funding increases to implement "...reforms that will make available the courses students need and help them progress through college efficiently, using technology to deliver quality education to greater numbers of students in high-demand courses, improving course management and planning, using faculty more effectively, and increasing use of summer session."

Along with these reforms, the Governor expects higher education to maintain current fee levels over the next four years.

### **Community College Apportionments**

For community colleges, Governor Brown's Budget proposes an increase of \$196.9 million (or 3.6% increase) to base apportionments, to be allocated between workload restoration and a cost-of-living adjustment as determined by the Board of Governors (BOG).

In addition, the Budget includes a deferral buy down of \$179 million, providing more cash for community colleges during the operational year. This would reduce the \$801 million in cross-year deferrals to \$622 million. The Governor's Budget Proposal asserts that all of the remaining apportionment deferrals will be paid off by the end of 2016-17.

Governor Brown proposes no changes to current fee levels, though proposed policy changes could affect what community colleges charge their students (more below).

The Governor proposes an increase in funding of \$133.2 million to offset the estimates for reduced local property taxes in 2013-14. Governor Brown also proposes adjustments for the current year, increasing funding by \$47.8 million to offset lower-than-anticipated property tax revenues from the elimination of redevelopment agencies and decreasing funding by \$12.6 million because of lower-than-anticipated BOG fee waivers.

### **State Mandates**

Under current statutory and constitutional law, the state may direct local agencies to provide new services to the public, but must also reimburse those agencies for costs incurred in providing those services.

No changes are proposed to the Mandate Block Grant (MBG) enacted in the 2012-13 State Budget, with \$33.33 million appropriated to fund the MBG in 2013-14. The 93% of districts that chose the MBG option for the current year can choose to continue in the program in 2013-14 or drop out and return to the traditional claiming process. Those districts that elected to continue filing claims this year can choose to stay with that for 2013-14 or receive the MBG.

The Governor's Budget Proposal does not include any funding for prior-years' cost-based mandate claims.

### **Adult Education**

On the heels of the Legislative Analyst's Office (LAO's) report on Adult Education (see ["LAO Recommendations for Adult Education,"](#) in the January 11, 2013, *Community College Update*), Governor Brown proposes to move Adult Education programs out of K-12 education and give community colleges the sole responsibility to offer the programs. With the intent of making a "more centralized adult education learning structure", the Budget proposes an increase of \$315 million to community colleges to support transfer of the program:

- \$300 million in new Proposition 98 funding to support a comparable K-12 Adult Education service delivery system within the community colleges
- A \$15.7 million shift in funding to move the Apprenticeship Program from K-12 education to community colleges

Funding will be allocated from a new block grant based on the number of students served only for core instructional areas such as vocational education, English as a second language, elementary and secondary education, and citizenship. If community colleges offer "non-mission" courses, students will be required to pay the full cost of instruction.

### **Energy Efficiency Projects**

Schools and community colleges also benefit from the passage of Proposition 39, the California Clean Energy Jobs Act. For 2013-14, Proposition 39 will result in a \$526 million increase in the Proposition 98 guarantee level. The Budget dedicates \$450 million of this to schools and community colleges for energy efficiency projects, which would become \$550 million in each of the subsequent four years. For 2013-14, \$49.5 million of these funds would be dedicated specifically to community colleges for these projects. Community colleges can use the funds to expand career-technical educational training and on-the-job work experience training. While these funds are proposed to be allocated based on full-time equivalent students (FTES), there will be compliance requirements that are yet to be determined.

### **Technology Funds**

Emphasizing affordability and improving time-to-completion rates, Governor Brown proposes to provide \$16.9 million to increase the number of courses available through the use of technology for:

- Creation of a "virtual campus" to increase statewide access to 250 new courses delivered through technology
- Creation of a common centralized delivery and support infrastructure for all courses delivered through technology and for all colleges
- Expansion of options for students to earn college credit for demonstrated knowledge and skills through credit by exam

### **Cal Grants**

The Governor did not propose any policy changes to the Cal Grant program, but did make adjustments to current-year and budget-year funding to accommodate increased participation in the program; \$61 million more will be provided in 2012-13 and funding will be increased by \$161.1 million in 2013-14.

### **Child Care**

The Governor's Budget proposes to decrease California Work Opportunity and Responsibility to Kids (CalWORKs) child care funding by \$6.6 million in 2013-14. Total funding proposed for child care programs in 2013-14 is \$1.12 billion, consisting of \$570.9 million in non-Proposition 98 General Fund resources and \$548.1 million in federal funds. The changes to child care are the result of the following:

- An increase of \$3.2 million in non-Proposition 98 General Fund resources due to the projection of 6,000 students reentering Stage 3 from Stage 2
- A decrease of \$9.8 million in federal funds reflecting the elimination of prior year one-time carryover funds and a reduction in 2013-14 funds

The three stages of programs under CalWORKs function under disparate rules and administrative structures, suggesting possible inefficiencies among the programs. To that end, the Department of Social Services is expected to establish a stakeholder group to assess the current child care structure for areas to improve.

### **Other Policy Proposals**

In addition to the policy proposals embedded in the new funding streams above, Governor Brown's Budget proposes additional policy changes that can have a significant impact on community college students and funding:

- In addition to direct funding proposals, Governor Brown outlined policy changes that would affect

how funding is ultimately allocated. All three higher education systems would have caps placed on the number of units a student can take—in the case of community colleges, the cap would be at 90 semester credit units. Students who exceed this cap would be required to pay the full cost of instruction; districts would be able to grant waivers on a case-by-case basis, but would not receive state funding for these students.

- As in past years, Governor Brown proposes to apportion funding to community colleges based on course completion instead of the current census date enrollment; the shift would be phased in over several years to allow for adjustment. Intending to be cost neutral for districts, savings that result from this shift would be invested in higher apportionment rates and student support services for colleges with higher non-completion rates.
- Governor Brown also proposes a requirement that students seeking a BOG fee waiver fill out a Free Application for Federal Student Aid and include both parent and student income to determine waiver eligibility. The intent of the proposal is to generate additional federal financial aid resources for students and colleges and to reinvest any savings to increase course offerings and student services.

### **Lottery Funding**

The California Lottery has paid more than \$1 billion to LEAs annually for each of the past 12 years, and has been a welcome source of continued revenue for educational agencies over the past several years due to the reductions in other state funding.

The 2012-13 Lottery funding has been estimated at \$1.3 billion for education. We are projecting the rates for the 2012-13 fiscal year at \$125.42 per annual FTES (unrestricted) and \$30.00 per annual FTES (restricted).

We anticipate that the Lottery Commission will report its sales projections in June 2013 for the 2013-14 fiscal year. Until such information is known, we are recommending the same projected per-FTES rates as 2012-13 for the 2013-14 fiscal year.

### **New Legislature, New Rules**

As a result of new electoral reforms and strong Democrat voter turnout, Democrats won big on election night and, for the first time in more than a hundred years, hold a two-thirds majority in both the Senate and Assembly. Democrats alone will now be able to pass legislative measures that previously would have needed a few Republican votes, including constitutional amendments, tax and fee increases, and statewide bonds. They will also be able to override any vetoes by Governor Brown (the last veto override was under Governor Brown's first term as governor back in 1979).

One proposal already being talked about for the Democrat supermajority is reducing the vote threshold for school districts to pass parcel taxes from 67% to 55%. Also being considered is a new statewide school facilities bond for 2014. However, movement on these proposals or any others requiring a two-thirds approval by the Legislature will likely be slow.

Passing tax increases or other two-thirds measures could be politically difficult for some of the more moderate Democrat legislators given that those votes could be used by political opponents in future elections. In addition, the 2014 general election will have some additional seats in play, with several seats likely to change parties.

For the current Legislature, there are also two vacancies in the State Senate as two senators resigned in order to assume their new roles as members of the House of Representatives. These vacancies leave Senate Democrats with 27 seats, the bare minimum for two-thirds control. A special election has already been set to fill these seats later this spring.

Two Assembly Members are vying to fill those vacancies. There are also several legislators running for the Los Angeles City Council. Should any of these legislators be successful in these upcoming elections—a real possibility—a new round of special elections would need to occur to fill those vacancies. All this means that it might be some time before there is a solid, reliable two-thirds party control in the state's Capitol.

posted 01/11/2013

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT PROPERTY TAX REVENUE COMPARISON**

Object Code	Object Description	2010-2011				2011-2012				2012-2013		
		Adopted Budget	Actuals as of 1-10-2011	YTD % Earned	Actuals	Adopted Budget	Actuals as of 1-10-2012	YTD % Earned	Actuals	Adopted Budget	Actuals as of 1-10-2013	YTD % Earned
8672	Homeowners'Property Tax Relief	337,217	164,135	48.67%	328,271	349,722	159,773	45.69%	319,546	364,243	46,678	12.82%
8810	Tax Allocation,Redevelop Rev	0	101,454	0.00%	86,550	0	82,743	0.00%	1,429,768	1,629,760	2,293,781	140.74%
8811	Tax Allocation,Secured Roll	38,631,416	18,609,011	48.17%	36,047,336	38,620,517	19,013,523	49.23%	35,897,784	38,056,069	19,014,309	49.96%
*8811	Tax Allocation,Secured Roll	0	0	0.00%	0	(1,272,004)	0	0.00%	0	0	0	0.00%
8812	Tax Allocation,Supplement Roll	525,883	324,043	61.62%	510,125	543,460	225,827	41.55%	229,754	261,891	331,349	126.52%
8813	Tax Allocation,Unsecured Roll	598,133	1,024,626	171.30%	1,506,106	1,604,525	1,107,213	69.01%	1,471,379	1,677,192	897,081	53.49%
8816	Prior Years' Taxes	2,343,104	1,183,825	50.52%	1,203,277	1,281,907	826,961	64.51%	851,293	970,370	881,098	90.80%
8817	ERAF	2,953,292	2,953,291	100.00%	2,600,754	0	(497,935)	0.00%	(2,511,684)	0	(73,003)	0.00%
	<b>Total</b>	<b>45,389,045</b>	<b>24,360,386</b>	<b>53.67%</b>	<b>42,282,419</b>	<b>41,128,127</b>	<b>20,918,106</b>	<b>50.86%</b>	<b>37,687,841</b>	<b>42,959,525</b>	<b>23,391,294</b>	<b>54.45%</b>
					93.16%				91.64%			

\*2011-12 Adopted Budget Revenue Adjustment (-3%) Property Tax Deficit

Object Code	Object Description	2010-2011			2011-2012			2012-2013		
		Paid Per County Tax Ledger	Actuals	Diff	Paid Per County Tax Ledger	Actuals	Diff	Charge Per County Tax Ledger	Paid Per Tax Ledger as of 1-10-2013	Actuals as of 1-10-2013
8672	Homeowners'Property Tax Relief		328,271			319,546				46,678
8810	Tax Allocation,Redevelop Rev	0	86,550		3,005,450	1,429,768		0	1,044,147	2,293,781
8811	Tax Allocation,Secured Roll	37,005,121	36,047,336		37,086,629	35,897,784		38,155,077	19,225,240	19,014,309
8812	Tax Allocation,Supplement Roll	410,595	510,125		212,362	229,754		1,072	253,582	331,349
8813	Tax Allocation,Unsecured Roll	1,616,680	1,506,106		1,530,296	1,471,379		1,586,883	1,198,138	897,081
8816	Prior Years' Taxes	625,210	1,203,277		580,949	851,293		0	0	881,098
8817	ERAF	33,592	2,600,754		(2,346,094)	(2,511,684)		0	0	(73,003)
	<b>Total</b>	<b>39,691,198</b>	<b>42,282,419</b>	<b>2,591,221</b>	<b>40,069,592</b>	<b>37,687,841</b>	<b>(2,381,751)</b>	<b>39,743,032</b>	<b>21,721,107</b>	<b>23,391,294</b>

**MID YEAR EXPENDITURE FOR FUND 11 & 13  
COMPARISON BY LOCATION - 12/31/XX**

	FY 2011-2012					FY 2012-2013				
	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail
Aca Salaries (excl. 1300's)	24,637,094.00	24,496,601.00	11,787,112.66	12,709,488.34	51.88%	24,309,788.00	24,152,322.00	11,874,476.21	12,277,845.79	50.84%
1300's	12,654,987.00	12,654,987.00	6,730,940.96	5,924,046.04	46.81%	13,018,366.00	12,991,081.00	6,699,094.70	6,291,986.30	48.43%
2 Classified Salaries	14,340,920.00	14,354,078.00	6,531,141.27	7,822,936.73	54.50%	12,489,647.00	12,552,279.00	5,757,676.86	6,794,602.14	54.13%
3 Employee Benefits	17,902,478.00	17,938,443.00	7,720,175.66	10,218,267.34	56.96%	15,310,350.00	15,335,049.00	7,372,644.05	7,962,404.95	51.92%
4 Supplies & Materials	675,741.00	676,550.00	279,056.93	397,493.07	58.75%	637,864.00	596,871.00	223,852.28	373,018.72	62.50%
5 Other Operating Exp	6,822,485.00	6,951,289.00	2,031,362.92	4,919,926.08	70.78%	8,173,435.00	8,377,646.00	2,160,517.06	6,217,128.94	74.21%
6 Capital Outlay	186,135.00	159,262.00	85,014.48	74,247.52	46.62%	91,690.00	118,290.00	53,215.50	65,074.50	55.01%
7 Other Outgo	-	4,938.00	-	4,938.00	100.00%	-	-	-	-	0.00%
<b>Santa Ana College</b>	<b>77,219,840.00</b>	<b>77,236,148.00</b>	<b>35,164,804.88</b>	<b>42,071,343.12</b>	<b>54.47%</b>	<b>74,031,140.00</b>	<b>74,123,538.00</b>	<b>34,141,476.66</b>	<b>39,982,061.34</b>	<b>53.94%</b>
Aca Salaries (excl. 1300's)	12,024,330.00	12,012,008.00	5,749,180.12	6,262,827.88	52.14%	11,926,305.00	11,945,239.00	5,940,762.84	6,004,476.16	50.27%
1300's	3,669,623.00	3,669,623.00	2,474,299.25	1,195,323.75	32.57%	3,503,206.00	3,504,184.00	2,358,178.95	1,146,005.05	32.70%
2 Classified Salaries	6,986,515.00	6,986,930.00	3,130,283.26	3,856,646.74	55.20%	5,921,712.00	5,982,187.00	2,733,770.01	3,248,416.99	54.30%
3 Employee Benefits	8,395,045.00	8,394,660.00	3,638,944.71	4,755,715.29	56.65%	7,132,092.00	7,133,941.00	3,487,641.23	3,646,299.77	51.11%
4 Supplies & Materials	175,510.00	172,510.00	71,738.91	100,771.09	58.41%	158,639.00	171,088.00	70,102.26	100,985.74	59.03%
5 Other Operating Exp	4,155,985.00	4,155,856.00	1,013,710.69	3,142,145.31	75.61%	4,080,931.00	4,141,705.00	1,228,221.78	2,913,483.22	70.35%
6 Capital Outlay	80,669.00	80,669.00	6,482.49	74,186.51	91.96%	28,710.00	26,760.00	13,803.30	12,956.70	48.42%
7 Other Outgo	-	-	(2,702.75)	2,702.75	0.00%	946,599.00	946,599.00	59.93	946,539.07	99.99%
<b>Santiago Canyon College</b>	<b>35,487,677.00</b>	<b>35,472,256.00</b>	<b>16,081,936.68</b>	<b>19,390,319.32</b>	<b>54.66%</b>	<b>33,698,194.00</b>	<b>33,851,703.00</b>	<b>15,832,540.30</b>	<b>18,019,162.70</b>	<b>53.23%</b>
1 Academic Salaries	1,017,419.00	1,017,419.00	491,837.30	525,581.70	51.66%	836,336.00	836,336.00	411,399.85	424,936.15	50.81%
2 Classified Salaries	8,124,165.00	8,124,892.00	3,764,526.72	4,360,365.28	53.67%	11,704,384.00	11,743,110.00	5,216,339.07	6,526,770.93	55.58%
3 Employee Benefits	4,438,588.00	4,437,862.00	1,966,970.79	2,470,891.21	55.68%	5,683,404.00	5,683,404.00	2,566,077.23	3,117,326.77	54.85%
4 Supplies & Materials	290,523.00	286,197.00	68,723.54	217,473.46	75.99%	264,278.00	255,678.00	40,650.35	215,027.65	84.10%
5 Other Operating Exp	7,295,900.00	7,047,764.00	3,012,288.47	4,035,475.53	57.26%	6,798,871.00	7,000,421.00	2,813,448.32	4,186,972.68	59.81%
6 Capital Outlay	806,044.00	1,060,934.00	374,438.89	686,495.11	64.71%	1,243,248.00	1,160,298.00	100,274.91	1,060,023.09	91.36%
7 Other Outgo	-	-	-	-	0.00%	310,922.00	180,922.00	-	180,922.00	100.00%
<b>District Operations</b>	<b>21,972,639.00</b>	<b>21,975,068.00</b>	<b>9,678,785.71</b>	<b>12,296,282.29</b>	<b>55.96%</b>	<b>26,841,443.00</b>	<b>26,860,169.00</b>	<b>11,148,189.73</b>	<b>15,711,979.27</b>	<b>58.50%</b>
<b>TOTAL FUND 11 and FUND 13</b>	<b>134,680,156.00</b>	<b>134,683,472.00</b>	<b>60,925,527.27</b>	<b>73,757,944.73</b>	<b>54.76%</b>	<b>134,570,777.00</b>	<b>134,835,410.00</b>	<b>61,122,206.69</b>	<b>73,713,203.31</b>	<b>54.67%</b>

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT  
2012-13 FTES TARGET COMPARISON TO ACTUAL**

1/7/2013 P1 Reporting		2011-2012 Recalculation (11-13-2012)			2012-2013			2012-2013			2012-2013		
		Annual Reporting			Total Target			Actuals as of 1-7-2013 for P1 Reporting			Better (Worse) Target vs. Actual as of 1-7-2013		
		TOTAL	SAC	SCC	TOTAL	SAC	SCC	TOTAL	SAC	SCC	TOTAL	SAC	SCC
<b>SUMMER</b>													
NC		838.13	638.32	199.81	444.00	277.50	166.50	463.49	297.55	165.94	19.49	20.05	(0.56)
CR		1,159.71	699.40	460.31	1,138.00	730.00	408.00	1,519.31	1,114.95	404.36	381.31	384.95	(3.64)
<b>SUMMER TOTALS<sup>1</sup></b>		1,997.84	1,337.72	660.12	1,582.00	1,007.50	574.50	1,982.80	1,412.50	570.30	400.80	405.00	(4.20)
<b>FALL</b>													
NC	F	2,538.59	1,788.36	750.23	2,473.00	1,722.00	751.00	2,397.51	1,685.82	711.69	(75.49)	(36.18)	(39.31)
CR													
IS, DSCH		155.47	22.48	132.99	156.00	23.00	133.00	191.40	60.66	130.74	35.40	37.66	(2.26)
IS, WSCH		505.85	396.99	108.86	523.00	414.00	109.00	516.15	410.76	105.39	(6.85)	(3.24)	(3.61)
DSCH	F	260.47	137.93	122.54	276.00	144.00	132.00	358.98	199.91	159.07	82.98	55.91	27.07
Positive	F	1,575.57	1,498.32	77.25	1,632.00	1,567.00	65.00	1,704.49	1,659.67	44.82	72.49	92.67	(20.18)
WSCH		7,124.89	4,642.08	2,482.81	7,329.00	4,842.00	2,487.00	7,301.71	4,802.33	2,499.38	(27.29)	(39.67)	12.38
<b>TOTAL CR</b>		9,622.25	6,697.80	2,924.45	9,916.00	6,990.00	2,926.00	10,072.73	7,133.33	2,939.40	156.73	143.33	13.40
<b>FALL TOTALS</b>		12,160.84	8,486.16	3,674.68	12,389.00	8,712.00	3,677.00	12,470.24	8,819.15	3,651.09	81.24	107.15	(25.91)
<b>SPRING</b>													
NC	F	3,579.51	2,498.99	1,080.52	3,644.00	2,501.00	1,143.00	3,592.63	2,523.66	1,068.97	(51.37)	22.66	(74.03)
CR													
Jan. intersession	F	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IS, DSCH		174.03	50.86	123.17	176.00	53.00	123.00	176.01	53.00	123.01	0.01	0.00	0.01
IS, WSCH		508.63	400.49	108.14	525.00	417.00	108.00	525.01	417.01	108.00	0.01	0.01	0.00
DSCH	F	278.79	165.37	113.42	352.00	172.00	180.00	352.00	171.99	180.01	0.00	(0.01)	0.01
Positive	F	1,953.08	1,865.65	87.43	2,000.00	1,950.00	50.00	1,999.95	1,949.95	50.00	(0.05)	(0.05)	0.00
WSCH		7,058.66	4,614.53	2,444.13	7,396.00	4,813.00	2,583.00	7,396.02	4,812.90	2,583.12	0.02	(0.10)	0.12
<b>TOTAL CR</b>		9,973.19	7,096.90	2,876.29	10,449.00	7,405.00	3,044.00	10,448.99	7,404.85	3,044.14	(0.01)	(0.15)	0.14
<b>SPRING TOTALS</b>		13,552.70	9,595.89	3,956.81	14,093.00	9,906.00	4,187.00	14,041.62	9,928.51	4,113.11	(51.38)	22.51	(73.89)
<b>SUMMER to borrow</b>													
NC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CR		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>SUMMER TOTALS</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>COMBINED</b>													
NC		6,956.23	4,925.67	2,030.56	6,561.00	4,500.50	2,060.50	6,453.63	4,507.03	1,946.60	(107.37)	6.53	(113.90)
CREDIT		20,755.15	14,494.10	6,261.05	21,503.00	15,125.00	6,378.00	22,041.03	15,653.13	6,387.90	538.03	528.13	9.90
<b>TOTAL</b>		27,711.38	19,419.77	8,291.61	28,064.00	19,625.50	8,438.50	28,494.66	20,160.16	8,334.50	430.66	534.66	(104.00)
		Non-Credit	70.81%	29.19%	Non-Credit	68.59%	31.41%	Non-Credit	69.84%	30.16%			
		Credit	69.83%	30.17%	Credit	70.34%	29.66%	Credit	71.02%	28.98%			
		Total	70.08%	29.92%	Total	69.93%	30.07%	Total	70.75%	29.25%			

Abbreviations:

NC=noncredit students

CR=credit students

IS=independent study/work study

F = total faculty contact hours of instruction released for flex-time activities

NOTE: <sup>1</sup> Summer 2011 FTES prior to July 1, 2011 were borrowed from Credit and Noncredit for 2010-11 Annual Recalculation report

TOTAL	SAC	SCC
(102.94)	0.00	(102.94)
(743.13)	(602.01)	(141.12)
<b>(846.07)</b>	<b>(602.01)</b>	<b>(244.06)</b>

	9/24/2012 CR	9/20/2012 NCR
Tentative Target Rcd	9/20/2012 NCR	
Revised Target Rcd		9/20/2012 NCR
Revised Target Rcd		11/27/2012 CR
Revised Target Rcd		12/01/2012 NCR

Estimated Factors	(F)
SAC CEC*	1.0391
SAC-DSCH	1.0279
SAC-Positive	1.0193
SCC-OEC*	1.0359
SCC-DSCH	1.0170
SCC-Positive	1.0210

\*Updated at P3  
 \*Updated at Recalc FY11-12  
 \*Updated at Recalc FY11-12  
 \*Updated at P3  
 \*Updated at Recalc FY11-12  
 \*Updated at Recalc FY11-12



**Rancho Santiago Community College**  
**Unrestricted General Fund Cash Flow Summary**  
**FY 2012-2013, 2011-2012, 2010-2011 YTD-December 31, 2012**

	FY 2012/2013 <sup>1</sup>											
	July	August	September	October	November	December <sup>2</sup>	January	February	March	April	May	June
<b>Beginning Fund Balance</b>	\$43,867,759.21	\$45,064,223.43	\$42,680,768.77	\$34,999,185.38	\$25,592,219.28	\$26,110,634.15	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69
<b>Total Revenues</b>	7,646,065.57	7,562,696.70	4,970,261.79	3,013,770.15	12,977,976.06	27,677,389.76						
<b>Total Expenditures</b>	6,449,601.35	9,946,151.36	12,651,845.18	12,420,736.25	12,459,561.19	11,219,118.22						
<b>Change in Fund Balance</b>	1,196,464.22	(2,383,454.66)	(7,681,583.39)	(9,406,966.10)	518,414.87	16,458,271.54	0.00	0.00	0.00	0.00	0.00	0.00
<b>Ending Fund Balance</b>	\$45,064,223.43	\$42,680,768.77	\$34,999,185.38	\$25,592,219.28	\$26,110,634.15	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69	\$42,568,905.69

	FY 2011/2012											
	July	August	September	October	November	December	January	February	March	April	May	June
<b>Beginning Fund Balance</b>	\$46,510,630.23	\$46,100,826.17	\$44,124,830.03	\$44,521,078.46	\$47,005,503.25	\$45,897,273.99	\$57,702,830.45	\$54,053,391.07	\$44,204,790.42	\$29,513,946.47	\$35,191,700.97	\$25,844,675.99
<b>Total Revenues</b>	6,825,093.09	8,604,770.47	11,773,097.35	14,009,712.72	10,510,149.91	22,550,256.32	6,595,149.87	4,032,853.71	(3,658,900.14)	17,357,273.48	2,534,531.41	34,372,932.97
<b>Total Expenditures</b>	7,234,897.15	10,580,766.61	11,376,848.92	11,525,287.93	11,618,379.17	10,744,699.86	10,244,589.25	13,881,454.36	11,031,943.81	11,679,518.98	11,881,556.39	16,349,849.75
<b>Change in Fund Balance</b>	(409,804.06)	(1,975,996.14)	396,248.43	2,484,424.79	(1,108,229.26)	11,805,556.46	(3,649,439.38)	(9,848,600.65)	(14,690,843.95)	5,677,754.50	(9,347,024.98)	18,023,083.22
<b>Ending Fund Balance</b>	\$46,100,826.17	\$44,124,830.03	\$44,521,078.46	\$47,005,503.25	\$45,897,273.99	\$57,702,830.45	\$54,053,391.07	\$44,204,790.42	\$29,513,946.47	\$35,191,700.97	\$25,844,675.99	\$43,867,759.21

	FY 2010/2011											
	July	August	September	October	November	December	January	February	March	April	May	June
<b>Beginning Fund Balance</b>	\$31,784,459.14	\$31,707,786.73	\$23,218,915.51	\$13,391,977.96	\$38,393,146.82	\$37,626,460.99	\$50,812,462.36	\$49,049,615.66	\$45,164,375.97	\$39,520,402.44	\$46,751,646.85	\$43,305,651.35
<b>Total Revenues</b>	7,196,165.21	1,553,433.59	1,225,846.90	36,455,433.92	10,288,007.11	23,933,026.28	8,592,243.99	7,264,930.45	5,325,966.54	18,674,392.21	7,974,571.36	17,915,851.49
<b>Total Expenditures</b>	7,272,837.62	10,042,304.81	11,052,784.45	11,454,265.06	11,054,692.94	10,747,024.91	10,355,090.69	11,150,170.14	10,969,940.07	11,443,147.80	11,420,566.86	14,710,872.61
<b>Change in Fund Balance</b>	(76,672.41)	(8,488,871.22)	(9,826,937.55)	25,001,168.86	(766,685.83)	13,186,001.37	(1,762,846.70)	(3,885,239.69)	(5,643,973.53)	7,231,244.41	(3,445,995.50)	3,204,978.88
<b>Ending Fund Balance</b>	\$31,707,786.73	\$23,218,915.51	\$13,391,977.96	\$38,393,146.82	\$37,626,460.99	\$50,812,462.36	\$49,049,615.66	\$45,164,375.97	\$39,520,402.44	\$46,751,646.85	\$43,305,651.35	\$46,510,630.23

**Notes:**

<sup>1</sup> Beginning in FY 2012-13, Unrestricted General Funds were divided between two subfunds: Unrestricted Ongoing General Fund (11) and Unrestricted One-Time Funds (13)

<sup>2</sup> December 2012 deferral repayment of \$8,035,813 and property tax allocation

## RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

## MEASURE E

Projects Cost Summary  
01/10/13

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2012-2013		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
<b>SANTA ANA COLLEGE</b>								
3001	Renovation of Buildings	10,973,717	8,682,970	15,423	13,349	8,711,742	2,261,975	79%
3003	Renovate Campus Infrastructure Design/Construct Maintenance/Operations Design/Construct Classroom Building	28,945,483	23,208,339	957,471	951,571	25,117,381	3,828,102	87%
3008	Renovate & Expand Athletic Fields	12,864,000	3,406,752	2,701,041	3,532,088	9,639,881	3,224,119	75%
3029	SAC Improvements & Enhancements	2,735,371	1,307,333	(7,051)	435,088	1,735,370	1,000,001	63%
3030	SAC Perimeter Site Improvements	6,326,000	-	11,383	5,138,266	5,149,649	1,176,351	81%
3031	SAC Planetarium Upgrade & Restroom Addition	1,798,500	-	17,100	-	17,100	1,781,400	1%
3032	SAC Dunlap Hall Project	9,000,000	-	606,085	392,378	998,463	8,001,537	11%
3002	SAC Library Renovation	339,623	339,623	-	-	339,623	-	100%
3007	Child Care/Classroom-Centennial Renovate and Improve Centennial Ed Center	1,662,032	1,662,032	-	-	1,662,032	-	100%
3013	Acquisition of Land Adjacent to SAC	15,962,453	15,962,453	-	-	15,962,453	-	100%
3016	Design New Child Development Center Construct New Child Development Center	10,354,817	10,353,893	924	-	10,354,817	-	100%
3017	Design Women's Locker Room Construct Women's Locker Room Augment State-Funded PE Seismic Project	14,446,890	14,426,357	6,715	13,818	14,446,890	-	100%
3019	Design Sheriff Training Facility Construct Sheriff Training Facility Fire Science Program (Net 6 Facility) Fire Science Prog. @ MCAS, Inc. 2	29,121,885	29,121,885	-	-	29,121,885	-	100%
3020	Design/Construct Digital Media Center	14,021,036	13,999,906	750	-	14,000,656	20,380	100%
3028	Design & Construct Parking Structure	2,046,955	2,046,955	-	-	2,046,955	-	100%
<b>TOTAL SANTA ANA COLLEGE</b>		<b>160,598,762</b>	<b>124,518,498</b>	<b>4,309,841</b>	<b>10,476,558</b>	<b>139,304,897</b>	<b>21,293,865</b>	<b>87%</b>

## RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

## MEASURE E

Projects Cost Summary  
01/10/13

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2012-2013		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
<b>SANTIAGO CANYON COLLEGE</b>								
3004	SCC Infrastructure	41,116,063	35,211,541	956,983.00	1,619,693.00	37,788,217	3,327,846	92%
3022	Design Arts, Humanities and Social Science Bldg.	29,923,111	20,778,655	3,918,216	4,726,242	29,423,113	499,998	98%
	Construct Arts, Humanities and Social Science Building							
3025	Design Gymnasium Building/Pool Complex	19,958,767	16,013,122	2,014,717	1,863,266	19,891,105	67,662	100%
	Construct Gymnasium Building/Pool Complex							
3011	Land Acquisition	24,791,777	24,791,777	-	-	24,791,777	-	100%
3012	Acquire Prop & Construct Cont Ed	27,554,640	27,554,640	-	-	27,554,640	-	100%
3014	Construct New Library & Resource Center	4,375,350	4,375,350	-	-	4,375,350	-	100%
3021	Construct Student Services & Classroom Bldg	8,073,049	8,073,049	-	-	8,073,049	-	100%
3026	Design Science Center	26,448,588	26,382,262	26,326	-	26,408,588	40,000	100%
	Construct Science Center							
	Augment State-Funded Science Center							
3027	Construct Additional Parking Facilities	1,047,212	1,047,212	-	-	1,047,212	0	100%
<b>TOTAL SANTIAGO CANYON COLLEGE</b>		<b>183,288,557</b>	<b>164,227,608</b>	<b>6,916,242</b>	<b>8,209,201</b>	<b>179,353,051</b>	<b>3,935,506</b>	<b>98%</b>
<b>DISTRICT OPERATIONS</b>								
3009	Replace Aging Telephone & Computer Network	14,071,666	13,998,970	55,346	17,350.00	14,071,666	0	100%
<b>GRAND TOTAL - ALL SITES</b>		<b>357,958,985</b>	<b>302,745,076</b>	<b>11,281,429</b>	<b>18,703,109</b>	<b>332,729,614</b>	<b>25,229,371</b>	<b>93%</b>

## SOURCES OF FUNDS

Original Bond Proceeds ( Issuances I, II & III) 337,000,000  
Allocated Interest 20,958,985

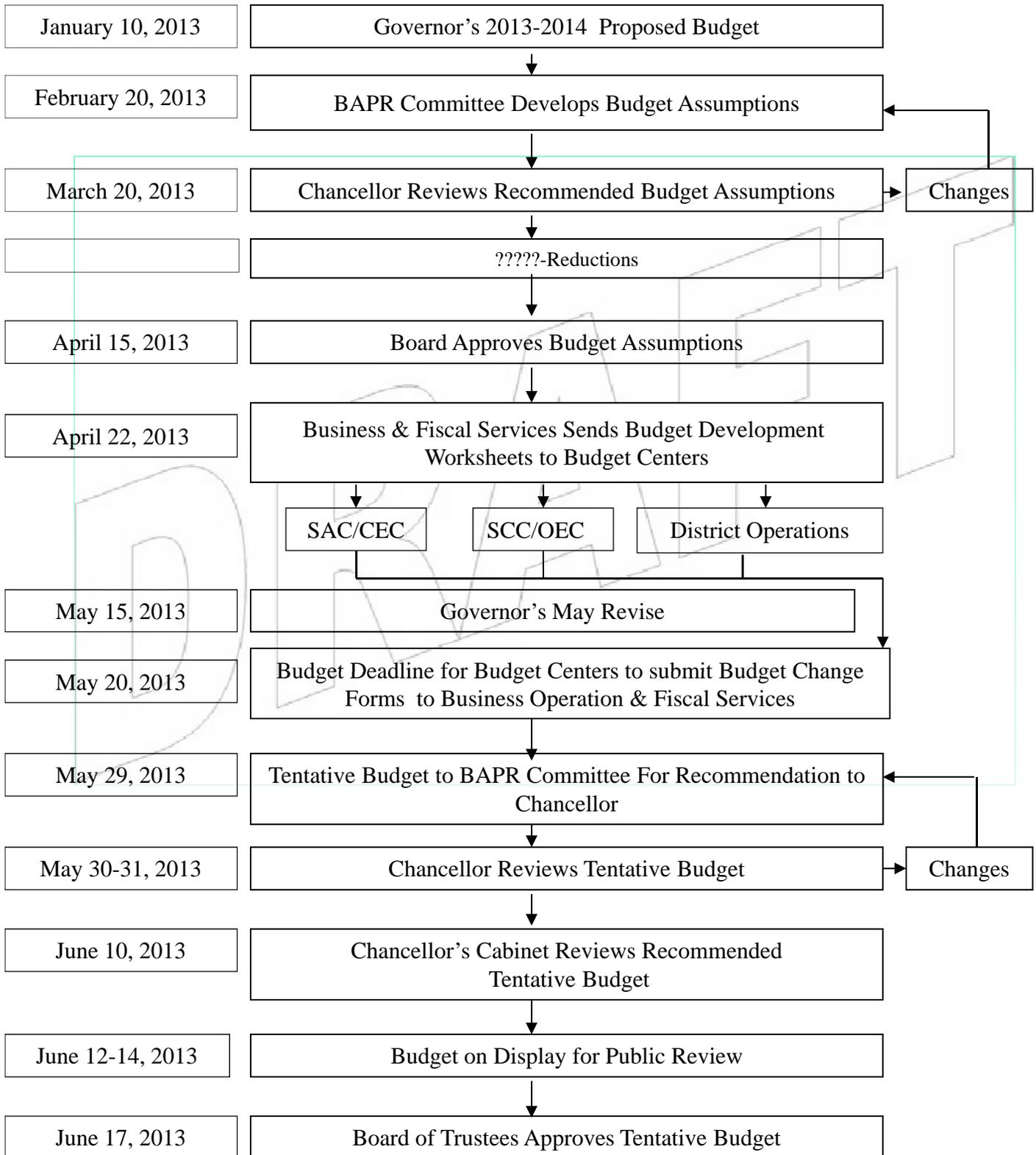
**Total Project Allocation 357,958,985**

Unallocated Funds 6,715,532

**MEASURE E BOND PROGRAM 364,674,517**

# RSCCD Tentative Budget Calendar

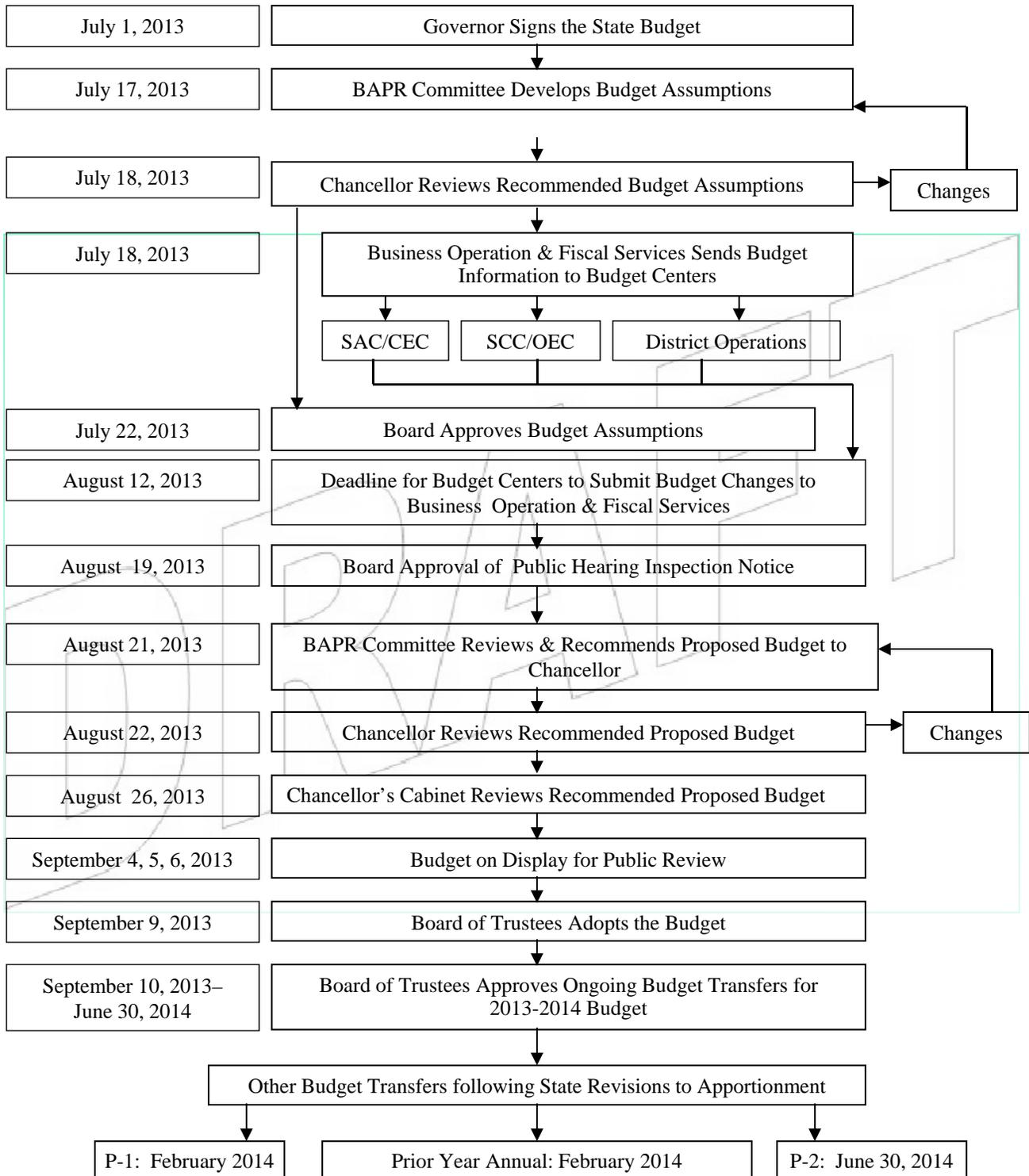
Fiscal Year 2013 – 2014  
January 23, 2013



# RSCCD Adopted Budget Calendar

Fiscal Year 2013 – 2014

January 23, 2013



**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT**  
 2323 N. Broadway, Santa Ana, California 92706  
 Office: (714) 480-7321 Fax: (714) 796-3935  
**Budget Allocation and Planning Review Committee Meeting**  
 District Office Board Room  
 1:30 p.m. – 3:00 p.m.

**Meeting Minutes for November 28, 2012**

**BAPR Members Present:** Esmeralda Abejar, Morrie Barembaum, Michael Collins, Steve Eastmond, Corinna Evett, Raul Gonzalez del Rio, Peter Hardash, Raymond Hicks, Bonita Jaros, Steve Kawa, Sylvia LeTourneau, Erlinda Martinez, Jeff McMillan, Adam O'Connor, Nga Pham, Marti Reiter, Linda Rose, Jose Vargas and Juan Vazquez

**BAPR Members Absent:** John Didion

**Guests Present:** Bart Hoffman, James Kennedy, Aracely Mora, Thao Nguyen, Narges Rabii and John Zarske

**The meeting was called to order by Ms. Evett at 1:30 p.m.**

**State/District Budget Update - FYI**

- Proposition 30/Education Protection Account
- LAO Report Excerpts/SSC LAO Forecast \$4.2 Billion for Prop 98 in 2013-14
- Board Budget Update – November 13, 2012
- CCLC State Budget Update – November 16, 2012
- Property Taxes/Negative ERAF/Student Fees
- SSC Financial Projection Dartboard

**Multi-Year Budget Projections**

With the Tax Measure Passage, assuming no COLA, \$125/unrestricted lottery, 1% step/column adjustment, PERS rate at 11.417%, utilities increase of 3%, based on the 2012-13 Adopted Budget.

<b>H &amp; W increase</b>	<b>2013-14 Ending Balance</b>	<b>2014-15 Ending Balance</b>	<b>2015-16 Ending Balance</b>
5%	\$29,332,574	\$18,925,034	\$6,759,227
7.5%	\$28,865,123	\$17,464,249	\$3,715,242
10%	\$28,397,670	\$15,980,086	\$572,500

**Committee Updates**

- Human Resource Committee - recommends the hiring of 10 new faculty, 8 for SAC and 2 for SCC
- District Facility Planning Committee - discussed the passage of Measure Q - \$198 million SAC Bond – next meeting will be in January, planning will occur after semester starts in February 2013
- Technology Advisory Group – meets 1<sup>st</sup> Thursday of the month – plans to integrate campus technology master plan with TAG developed plan.
- Accreditation Update – details of the new committee Planning and Organizational Effectiveness Committee are attached
- SB361 BAM Implementation Technical Committee - a meeting is scheduled for December 14, 2012 to finalize the SB361 model

### **Information Handouts**

- District-wide expenditure report through October 2012 is posted at the following link:  
<https://intranet.rscgd.edu>
- Vacant Funded Position List as of 11/19/2012
  - Projected Annual salary and benefits savings \$2,580,978
- FTES Update as of 11/20/2012
  - SAC – Non-Credit 4,520.48 and Credit 15,562.42, Totaled 20,082.90 FTES, 457.40 FTES over target
  - SCC – Non-Credit 2,050.94 and Credit 6,353.56, Totaled 8,404,.50 FTES, 30 FTES over target
  - Growth target – DEMC or BAPR charged?

### **2013-2014 Budget Calendars Draft / Meeting Date Changes**

A draft of the 2013-14 Tentative and Adopted Budget Calendars was provided with the scheduled meeting date for BAPR committee changed from May 15, 2013 to May 29, 2013. There was no opposition to this change of date. We don't have a calendar schedule for 2013 BAPR Committee but our goal is to have the BAPR Committee recommendation of the Adopted Budget to the Chancellor on August 21, 2013. Mr. Barembaum suggests re-arranging the date in chronological order.

### **Approval of BAPRC Meeting Minutes – October 17, 2012**

Ms. Evett called for a motion to approve the BAPRC Minutes of the October 17, 2012 meeting. The motion was moved by Mr. Barembaum and Ms. Pham seconded the motion to approve the minutes as presented. Dr. Martinez and Dr. Rose abstain from voting due to not being present at the meeting.

### **Other**

Mr. Hoffman asked that we have the agenda and materials published on the internet before the meeting for guests who might want to come to the meeting and did not get the materials otherwise.

### **Adjournment**

Mr. Hardash adjourned the meeting at 2:40 p.m.

### **Meeting Schedule**

BAPR Committee Meeting – 1:30 – 3:00, District Office Board Room #107

December 12, 2012

January 23, 2013

February 20, 2013

March 20, 2013

April 17, 2013

~~May 15, 2013 (3-5 pm)~~ **May 29, 2013**

June 5, 2013