

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

website: [Fiscal Resources Committee](#)

Agenda for February 22, 2017

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

Executive Conference Room #114

1. Welcome
2. State/District Budget Update – Hardash
 - Discuss Governor’s 2017/18 Proposed Budget
 - [Powerpoint Handout to Board on 2/6/2017](#)
 - 2015/16 Apportionment Recalc ?
 - 2016/17 Apportionment P1 Report
 - 2016-17 FTES reported at P1
 - November 8, 2016 Election Cost
3. 2017/18 RSCCD Tentative Budget Assumptions - **Action Item**
4. 2017/18 Budget Calendars - **Action Item**
5. College Expected Year-end Balances – Satele and Collins
6. Report out from February 7, 2017 Governance Summit - Mettler
7. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rsccd.edu>
 - Vacant Funded Position List as of 2-7-2017
 - Measure “E” Project Cost Summary as of 1-31-2017
 - Measure “Q” Project Cost Summary as of 1-31-2017
 - Monthly Cash Flow Summary as of 1-31-2017
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
8. Approval of FRC Minutes – November 16, 2016
9. Other
 - Date change for May FRC meeting from 5/24 to 5/31

Next FRC Committee Meeting: (Executive Conference Room #114 1:30 pm – 3:00 pm)

March 22, 2017

The mission of the Rancho Santiago Community College District is to provide quality educational programs and services that address the needs of our diverse students and communities.

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2016-17 FTES TARGET COMPARISON TO P1 ACTUAL**

FINAL

As of January 9, 2017

SUMMER 2016 On or After 7/1/2016

	2015-2016		
	(RECALC) Reporting		
	TOTAL	SAC	SCC
NC	56.05	32.50	23.55
CDCP	545.93	422.18	123.75
CR	1,716.50	1,220.82	495.68
SUMMER TOTALS	2,318.48	1,675.50	642.98

FALL2016

		2015-2016		
		TOTAL	SAC	SCC
NC	F	271.35	202.06	69.29
CDCP		2,010.82	1,513.73	497.09
CR				
IS, DSCH		289.39	156.99	132.40
IS, WSCH		486.32	305.88	180.44
DSCH	F	459.97	301.50	158.47
Positive	F	1,572.32	1,513.65	58.67
WSCH		7,278.08	4,691.78	2,586.30
TOTAL CR		10,086.08	6,969.80	3,116.28
FALL TOTALS		12,368.25	8,685.59	3,682.66

SPRING2017

		2015-2016		
		TOTAL	SAC	SCC
NC	F	358.79	233.28	125.51
CDCP		3,154.95	2,178.04	976.91
CR				
Jan. intersession	F	793.53	556.22	237.31
IS, DSCH		315.91	191.47	124.44
IS, WSCH		459.68	311.98	147.70
DSCH	F	405.97	309.85	96.12
Positive	F	1,641.91	1,579.67	62.24
WSCH		6,796.56	4,331.81	2,464.75
TOTAL CR		10,413.56	7,281.00	3,132.56
SPRING TOTALS		13,927.30	9,692.32	4,234.98

SUMMER 2017 On or Before 6/30/2017

	TOTAL	SAC	SCC
NC	15.95	15.95	0.00
CDCP	213.71	213.71	0.00
CR	54.46	43.77	10.69
Borrowed	3.48	3.48	0.00
SUMMER TOTALS	287.60	276.91	10.69

COMBINED

	TOTAL	SAC	SCC
NC	702.14	483.79	218.35
CDCP	5,925.41	4,327.66	1,597.75
CREDIT	22,274.08	15,518.87	6,755.21
TOTAL	28,901.63	20,330.32	8,571.31

Non-Credit	68.90%	31.10%
CDCP	73.04%	26.96%
Credit	69.67%	30.33%
Total	70.34%	29.66%

NOTE:

Actuals
Est. actuals
Updated projections

2016-2017		
Campus Determined Targets		
TOTAL	SAC	SCC
50.00	27.00	23.00
419.00	295.00	124.00
1,640.00	1,170.00	470.00
2,109.00	1,492.00	617.00

2016-2017		
Campus Determined Targets		
TOTAL	SAC	SCC
260.00	190.00	70.00
2,093.00	1,595.00	498.00
302.00	158.00	144.00
501.00	311.00	190.00
468.00	305.00	163.00
1,583.00	1,525.00	58.00
7,278.00	4,692.00	2,586.00
10,132.00	6,991.00	3,141.00
12,485.00	8,776.00	3,709.00

2016-2017		
Campus Determined Targets		
TOTAL	SAC	SCC
340.00	215.00	125.00
3,227.00	2,250.00	977.00
802.00	565.00	237.00
319.00	194.00	125.00
463.00	315.00	148.00
406.00	310.00	96.00
1,652.00	1,590.00	62.00
6,810.00	4,345.00	2,465.00
10,452.00	7,319.00	3,133.00
14,019.00	9,784.00	4,235.00

	TOTAL	SAC	SCC
NC	18.00	18.00	0.00
CDCP	250.00	250.00	0.00
CR	49.00	42.00	7.00
Borrowed	0.00	0.00	0.00
SUMMER TOTALS	317.00	310.00	7.00

	TOTAL	SAC	SCC
NC	668.00	450.00	218.00
CDCP	5,989.00	4,390.00	1,599.00
CREDIT	22,273.00	15,522.00	6,751.00
TOTAL	28,930.00	20,362.00	8,568.00

Non-Credit	67.37%	32.63%
CDCP	73.30%	26.70%
Credit	69.69%	30.31%
Total	70.38%	29.62%

Target Growth	0.10%
Estimated	
R/A/Growth	0.00%
	0.00
	0.00
	70.28%
	29.72%

2016-2017		
Actuals as of January 9, 2017		
TOTAL	SAC	SCC
46.46	18.57	27.89
411.66	306.58	105.08
1,685.19	1,222.14	463.05
2,143.31	1,547.29	596.02

2016-2017		
Actuals as of January 9, 2017		
TOTAL	SAC	SCC
297.42	183.88	113.53
1,839.92	1,368.98	470.94
323.57	187.12	136.45
523.56	347.56	176.00
382.59	250.92	131.67
1,125.89	1,061.11	64.78
7,280.48	4,759.50	2,520.98
9,636.09	6,606.21	3,029.88
11,773.42	8,159.07	3,614.35

2016-2017		
Actuals as of January 9, 2017		
TOTAL	SAC	SCC
505.34	291.15	214.19
3,055.97	2,167.50	888.47
799.12	540.74	258.38
234.34	153.48	80.86
459.98	311.97	148.01
411.46	291.26	120.20
1,754.60	1,646.30	108.30
6,820.45	4,354.94	2,465.51
10,479.95	7,298.69	3,181.26
14,041.26	9,757.34	4,283.92

	TOTAL	SAC	SCC
NC	18.00	18.00	0.00
CDCP	250.00	250.00	0.00
CR	49.00	42.00	7.00
Borrowed	0.00	0.00	0.00
SUMMER TOTALS	317.00	310.00	7.00

	TOTAL	SAC	SCC
NC	867.22	511.60	355.61
CDCP	5,557.55	4,093.06	1,464.49
CREDIT	21,850.23	15,169.04	6,681.19
TOTAL	28,274.99	19,773.70	8,501.29

Non-Credit	58.99%	41.01%
CDCP	73.65%	26.35%
Credit	69.42%	30.58%
Total	69.93%	30.07%

Growth Total District	-2.17%
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Growth Total by Campus	-2.74%	-0.82%
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2016-2017		
Better (Worse) Target vs. Actuals as of January 9, 2017		
TOTAL	SAC	SCC
(3.54)	(8.43)	4.89
(7.34)	11.58	(18.92)
45.19	52.14	(6.95)
34.31	55.29	(20.98)

2016-2017		
Better (Worse) Target vs. Actuals as of January 9, 2017		
TOTAL	SAC	SCC
37.42	(6.12)	43.53
(253.08)	(226.02)	(27.06)
21.57	29.12	(7.55)
22.56	36.56	(14.00)
(85.41)	(54.08)	(31.33)
(457.11)	(463.89)	6.78
2.48	67.50	(65.02)
(495.91)	(384.79)	(111.12)
(711.58)	(616.93)	(94.65)

2016-2017		
Better (Worse) Target vs. Actuals as of January 9, 2017		
TOTAL	SAC	SCC
165.34	76.15	89.19
(171.03)	(82.50)	(88.53)
(2.88)	(24.26)	21.38
(84.66)	(40.52)	(44.14)
(3.02)	(3.03)	0.01
5.46	(18.74)	24.20
102.60	56.30	46.30
10.45	9.94	0.51
27.95	(20.31)	48.26
22.26	(26.66)	48.92

	TOTAL	SAC	SCC
NC	0.00	0.00	0.00
CDCP	0.00	0.00	0.00
CR	0.00	0.00	0.00
Borrowed	0.00	0.00	0.00
SUMMER TOTALS	0.00	0.00	0.00

	TOTAL	SAC	SCC
NC	199.22	61.60	137.61
CDCP	(431.45)	(296.94)	(134.51)
CREDIT	(422.77)	(352.96)	(69.81)
TOTAL	(655.01)	(588.30)	(66.71)

DRAFT	RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT UNRESTRICTED GENERAL FUND 2017-18 Tentative Budget Assumptions February 8, 2017	DRAFT
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I. State Revenue

A. Budgeting will continue to utilize the District's Budget Allocation Model (BAM) based on SB 361.

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded	Actual Growth
2012/13	27,711.41	28,185.04	28,185.04	1.71%
2013/14	28,185.04	28,688.93	28,688.93	1.79%
2014/15	28,688.93	28,908.08	28,908.08	0.76%
2015/16	P3 28,908.08	28,901.63	a 28,901.63	a -0.02%
2016/17	P1 28,901.43	28,274.99	b 28,274.99	b -2.17%

a - based on submitted P3, small reduction, but slight increase in revenue based on mix of FTES between CR, NC and CDCP
 b - based on submitted P1, anticipated loss of FTES at 2.17%

This estimated decline in revenue is based on the 320 report submitted at P1. The district is in stabilization in 2016/17 based on this reporting. This decline is equivalent to 692 Credit FTES and will result in a large reduction in revenue as of 7/1/17 without significant growth or borrowing FTES from summer 2017.

The budget proposal includes 1.34% systemwide Growth/Access funding, 1.48% COLA, and a small base allocation increase.

Projected COLA of 1.48%	\$2,300,000
Projected Growth/Access (Decline of 2.17%)	(\$3,465,189)
Projected Base Allocation Increase	\$590,000
Continued Projected Deficit (est. 0.708%)	\$0
Apportionment Base Incr (Decr) for 2017/18	<u>(\$575,189)</u>

2017/18 Potential Growth at 0.5% based on 1.34% system 29,046

C. Education Protection Account (EPA) funding estimated at \$22,783,410 based on 2016/17 Advance. These are not additional funds. The EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. We intend to charge a portion of faculty salaries to this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at \$144 per FTES (\$4,269,070). Restricted lottery at \$45 per FTES (\$1,334,084). (2016/17 P1 of resident & nonresident factored FTES, 29,646.32 x 144 = \$4,269,070 unrestricted lottery; 29,646.32 x 45 = \$1,334,084.) Slight increase.

E. Estimated reimbursement for part-time faculty compensation is estimated at \$592,773 (2016/17 Advance). Unchanged.

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA is being proposed on certain categorical programs. Without COLA, other categorical reductions would be required to remain in balance if settlements were reached with bargaining groups. The colleges will need to budget for any program match requirements using unrestricted funds.

G. BOG fee waivers 2% administration funding estimated at 2016/17 Advance of \$294,302. Unchanged.

H. Mandates Block Grant estimated at a total budget of \$795,000. Unchanged. No additional one-time allocation proposed.

II. Other Revenue

I. Non-Resident Tuition budgeted at \$2,925,000. \$325,000 increase. (SAC \$2,300,000, SCC \$625,000)

J. Interest earnings estimated at \$650,000. Increase based on County interest rate and cash balance increase.

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately \$350,000. Unchanged.

L. Apprenticeship revenue estimated at \$2,670,285. Unchanged.
 (Corresponding expenses related to this allocation must be budgeted for additional apprenticeship course offerings)

M. Scheduled Maintenance/Instructional Equipment allocation \$1 million (no match required).

N. Energy Efficiency/Prop 39 revenue allocation of \$1.1 million. Slight increase from 2016/17.

DRAFT

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
UNRESTRICTED GENERAL FUND
2017-18 Tentative Budget Assumptions
February 8, 2017**

DRAFT

III. Appropriations and Expenditures

- A. As the District's budget model is a revenue allocation model, revenues flow through the model to the colleges as earned. The colleges have the responsibility, within their earned revenue, to budget for ALL necessary expenditures including but not limited to all full time and part time employees, utilities, instructional services agreements, multi-year maintenance and other contracts, supplies, equipment and other operating costs.
- B. The state is estimating a Cost of Living Allowance (COLA) of 1.48%. Any collectively bargained increased costs will be added to the budget. The estimated cost of a 1% salary increase is \$1.4 million.
- C. Step and column movement is budgeted at an additional cost of approximately \$1.2 million including benefits. (FARSCCD approximate cost \$410,000, CSEA approximate cost \$476,000, Management/Other approximate cost \$314,000)
- D. Health and Welfare benefit premium cost increase as of 1/1/18 is estimated at 3.5% for an additional cost of approximately \$501,000 for active employees and an additional cost of \$170,000 for retirees, for a combined increase of \$671,000. State Unemployment Insurance local experience charges are estimated at \$250,000 (2016/17 budgeted amount). Unchanged. CalPERS employer contribution rate will increase in 2017/18 from 13.888% to 15.8% for an increase of \$607,948. (Note: The cost of each 1% increase in the PERS rate is approximately \$350,000.) CalSTRS employer contribution rate will increase in 2017/18 from 12.58% to 14.43% for an increase of \$1,196,296. (Note: The cost of each 1% increase in the STRS rate is approximately \$700,000.)
- E. The full-time faculty obligation (FON) for Fall 2017 is estimated at 364.4. The District is currently recruiting to replace 18 faculty vacancies (plus one additional noncredit position which does not count toward the FON). The District expects to meet its obligation. SAC has 13 vacancies and is adding one new position. SCC is filling five vacancies. The current cost for a new position is budgeted at Class VI, Step 12 at approximately \$136,500. Penalties for not meeting the obligation amount to approximately \$71,000 per FTE not filled.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/15 for hourly faculty is \$1,249. Unchanged.
- G. Retiree Health Benefit Fund (OPEB/GASB 45 Obligation) - The District will continue to contribute an amount to fund the total actuarially determined Annual Required Contribution (ARC). The ARC increased in 2016/17 by over \$3.3 million from \$8.35 million to a cost of \$11.7 million. This increased cost was covered with one-time funds in 2016/17, but with no new one-time allocation proposed in the state budget, this is now added as an ongoing expense. This will require an increase in the percentage charged to payroll from 1% to 3.63% effective 7/1/17. The unrestricted general fund portion of this increase amounts to approximately \$2.6 million.
- H. Capital Outlay Fund - In addition to the state allocation for Scheduled Maintenance/Instructional Equipment, the District will continue to budget \$1.5 million for capital outlay needs.
- I. Utilities cost increases of 5%, estimated at \$200,000.
- J. Information Technology licensing contract escalation cost of 7%, estimated at \$125,000.
- K. Property and Liability Insurance transfer estimated at \$1,970,000. Unchanged.
- L. Other additional DS/Institutional Cost expenses:
 Legal Expenses of \$150,000 ongoing
 50% Cost of New Sergeant Position \$70,000 ongoing
 Increased Fingerprinting Cost \$14,000 ongoing
- M. Child Development Fund - The District will continue to budget \$250,000 as an interfund transfer from the unrestricted general fund as a contingency plan. (\$140,000 was transferred in 2014/15 and 2015/16, and expected in 2016/17)

Rancho Santiago Community College District		
Unrestricted General Fund Summary		
2017-18 Tentative Budget Assumptions Analysis		
DRAFT	February 8, 2017	DRAFT

*	<u>New Revenues</u>	Ongoing Only	One-Time
B	COLA 1.48%	\$2,300,000	
B	Growth (Decline of 2.17%)	1 (\$3,465,189)	
B	Base Allocation	\$590,000	
B	Deficit Factor est. at 0.708%	\$0	
D	Unrestricted Lottery	\$126,529	
H	Mandates Block Grant (one-time)	\$0	\$0
I	Non-Resident Tuition	\$325,000	
J	Interest Earnings	\$100,000	
L	Apprenticeship - SCC	\$0	
EGHK	Misc Income	\$0	
	Total	(\$23,660)	\$0
	<u>New Expenditures</u>		
B	COLA 1.48%	\$2,300,000	
C	Step/Column	\$1,200,000	
D	Health and Welfare/Benefits Increase	\$671,000	
D	CalPERS Increase	\$607,948	
D	CalSTRS Increase	\$1,196,296	
E	Full Time Faculty Obligation Hires	\$0	
E/F	Hourly Faculty Budgets (Convert to Full Time)	\$0	
G	Increased Cost of Retiree Health Benefit ARC	\$2,576,106	
H	Capital Outlay/Scheduled Maintenance Match	\$0	
I	Utilities Increase	\$200,000	
J	ITS Licensing/Contract Escalation Cost	\$125,000	
K	Property, Liability and All Risks Insurance	\$0	
I.L	Apprenticeship - SCC	\$0	
L	Other Additional DS/Institutional Costs	\$234,000	\$0
	Total	\$9,110,350	\$0
	2017-18 Budget Year Surplus (Deficit)	(\$9,134,010)	

Note: Budget Stabilization Fund Balance at 6/30/2017 is estimated at \$13.7 million.

¹ This estimated decline in revenue is based on the 320 report submitted at P1. The district is in stabilization in 2016-17 based on this reporting. This decline is equivalent to 692 FTES and will result in this reduction in revenue effective 7/1/2017 without significant growth or borrowing FTES from summer 2017.

* Reference to budget assumption number

Rancho Santiago Community College District		
Unrestricted General Fund Summary		
2017-18 Tentative Budget Assumptions Analysis - V2		
DRAFT	February 8, 2017	DRAFT

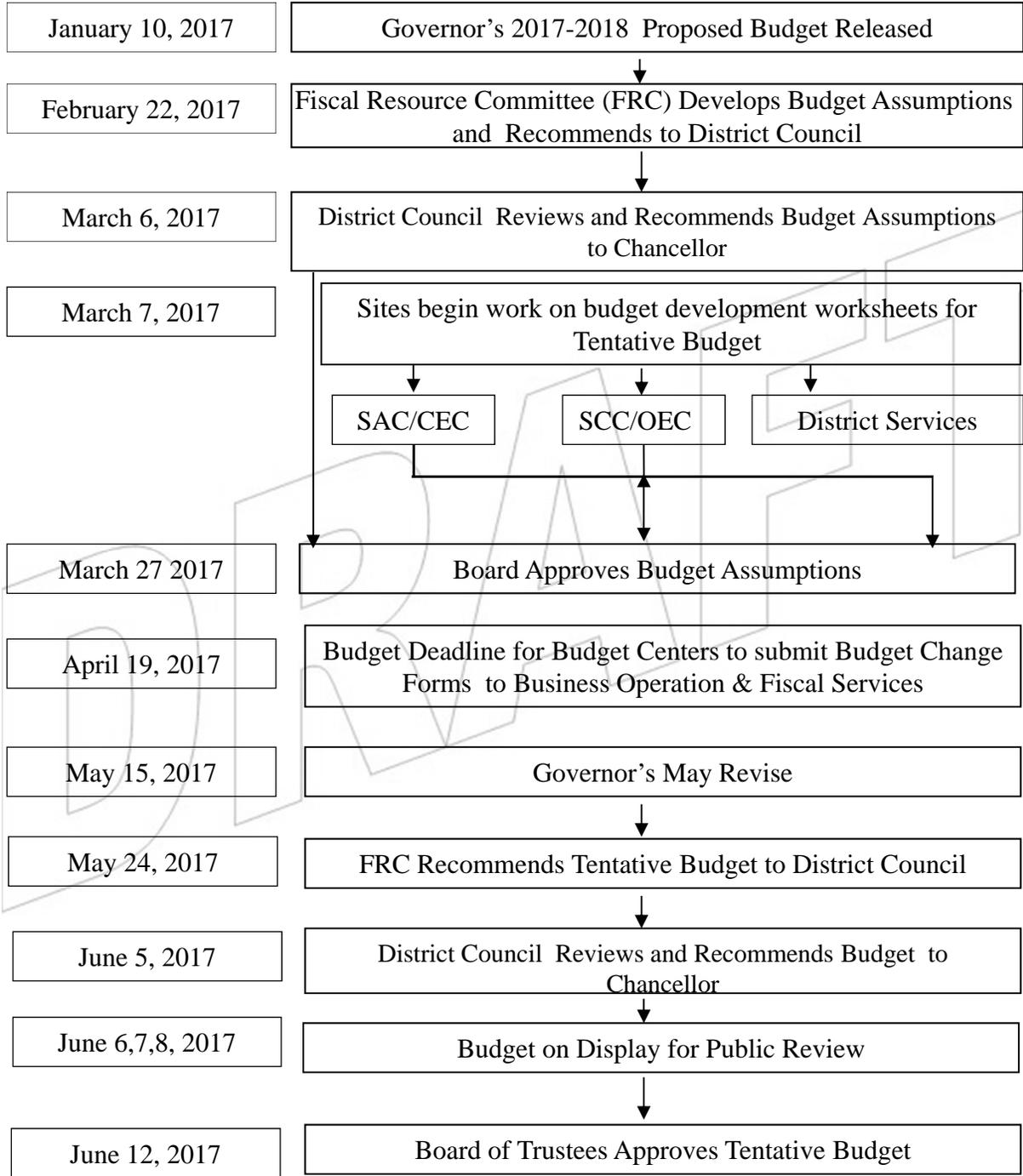
	<u>New Revenues</u>	Ongoing Only	One-Time
B	COLA 1.48%	\$2,300,000	
B	Growth (Decline of 2.17%/Borrow from summer) 1	\$0	
B	Base Allocation	\$590,000	
B	Deficit Factor est. at 0.708%	\$0	
D	Unrestricted Lottery	\$126,529	
H	Mandates Block Grant (one-time)	\$0	\$0
I	Non-Resident Tuition	\$325,000	
J	Interest Earnings	\$100,000	
L	Apprenticeship - SCC	\$0	
EGHK	Misc Income	\$0	
	Total	\$3,441,529	\$0
	<u>New Expenditures</u>		
B	COLA 1.48%	\$2,300,000	
C	Step/Column	\$1,200,000	
D	Health and Welfare/Benefits Increase	\$671,000	
D	CalPERS Increase	\$607,948	
D	CalSTRS Increase	\$1,196,296	
E	Full Time Faculty Obligation Hires	\$0	
E/F	Hourly Faculty Budgets (Convert to Full Time)	\$0	
G	Increased Cost of Retiree Health Benefit ARC	\$2,576,106	
H	Capital Outlay/Scheduled Maintenance Match	\$0	
I	Utilities Increase	\$200,000	
J	ITS Licensing/Contract Escalation Cost	\$125,000	
K	Property, Liability and All Risks Insurance	\$0	
I.L	Apprenticeship - SCC	\$0	
L	Other Additional DS/Institutional Costs	\$234,000	\$0
	Total	\$9,110,350	\$0
	2017-18 Budget Year Surplus (Deficit)	(\$5,668,821)	

Note: Budget Stabilization Fund Balance at 6/30/2017 is estimated at \$13.7 million.

¹ The estimated decline in revenue is based on the 320 report submitted at P1. The district is in stabilization in 2016-17 based on this reporting. This decline, equivalent to 692 FTES, will be borrowed from summer 2017 to restore the district to the 2015/16 funding level.

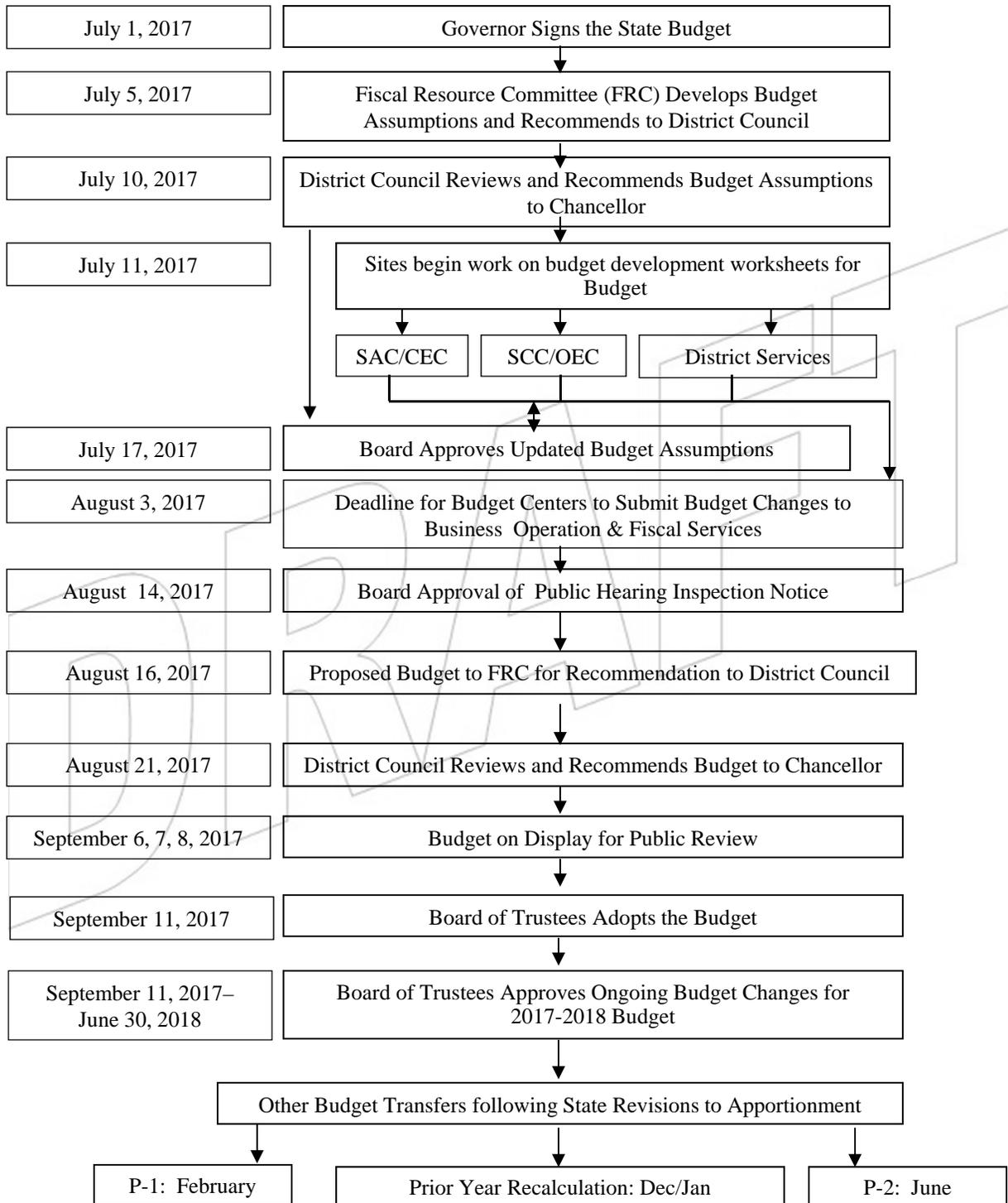
* Reference to budget assumption number

RSCCD Tentative Budget Calendar
Fiscal Year 2017 – 2018
February 22, 2017



RSCCD Adopted Budget Calendar

Fiscal Year 2017 – 2018
February 22, 2017



Vacant Funded Positions as of 2/7/2017 - Projected Annual Salary and Benefits Savings

Fund	Management/ Academic/ Confidential	Title	Reasons	Site	Effective Date	Notes	2016-17 Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
28%-fd 11 72%-fd 12	Bergara, Elizabeth	Financial Aid Analyst	Promotion	SCC	10/3/2016		17,948	
11	Cervantes, Guadalupe	Admissions/Records Spec I	Resignation	SCC	11/28/2016		29,788	
60%-fd 11 40%-fd 12	Dillon, Victoria	Intermediate Clerk	Retirement	SCC	6/30/2016	reorg #973 to Admin Clerk	40,318	
11	Garbis, Tiffany	Curriculum Specialist	Promotion	SCC	1/12/2017		39,913	
11	Gonzalez Del Rio, Raul	Accountant	Resignation	SCC	10/21/2016		49,843	
11	Holmes, Michelle	Learning Assistant	Resignation	SCC	2/8/2013		23,016	304,770
11	Restivo, Julie	Executive Secretary	Retirement	SCC	2/28/2017		20,797	
11	Selby, Nadine	Admissions/Records Specialist I	Promotion	SCC	1/22/2017		40,933	
11	Vanloon-Kupfrian, Annie	Instructional Coordinator/Analy	Retirement	SCC	12/30/2016		42,212	
TOTAL							3,499,216	

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
MEASURE E
 Projects Cost Summary
 As of 01/31/17 on 01/31/17

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2016-2017		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3054	Temporary Village Phase 2	1,159,046	994,922	88,977	4,703	1,088,602	70,444	94%
TOTAL SANTA ANA COLLEGE		1,159,046	994,922	88,977	4,703	1,088,602	70,444	94%
SANTIAGO CANYON COLLEGE								
3672	SCC Building U Portables Certification	1,300,000	254,315	8,946	175,237	438,498	861,502	34%
3058	SCC Aquatic Bleachers Certification	100,266	10,919	28,690	7,856	47,465	52,801	47%
TOTAL SANTIAGO CANYON COLLEGE		1,400,266	265,234	37,636	183,093	485,963	914,303	35%
DISTRICT/ DISTRICTWIDE OPERATIONS								
3044	Project Closeout/Certification	513,005	419,805	-	-	419,805	93,200	82%
TOTAL DISTRICT/DISTRICTWIDE		513,005	419,805	-	-	419,805	93,200	82%
ACTIVE PROJECTS - ALL SITES		3,072,317	1,679,961	126,613	187,796	1,994,370	1,077,947	65%

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
MEASURE E
Projects Cost Summary
As of 01/31/17 on 01/31/17**

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2016-2017		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
COMPLETED PROJECTS/PENDING CLOSEOUT								
SANTA ANA COLLEGE								
3001	Renovation of Buildings / Building "G" Renovation	9,302,490	9,302,490	-	-	9,302,490	-	100%
3002	SAC Library Renovation	339,623	339,623	-	-	339,623	-	100%
3003	Renovate Campus Infrastructure Design/Construct Maintenance/Operations Design/Construct Classroom Building	24,927,689	24,927,689	-	-	24,927,689	-	100%
3007	Child Care/Classroom-Centennial Renovate and Improve Centennial Ed Center	1,662,032	1,662,032	-	-	1,662,032	-	100%
3008	Renovate & Expand Athletic Fields	10,082,438	10,082,438	-	-	10,082,438	-	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	10,362,051	10,362,051	-	-	10,362,051	-	100%
3017	Design Women's Locker Room Construct Women's Locker Room Augment State-Funded PE Seismic Project	14,455,332	14,455,332	-	-	14,455,332	-	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	14,000,656	14,000,656	-	-	14,000,656	-	100%
3028	Design & Construct Parking Structure	2,046,955	2,046,955	-	-	2,046,955	-	100%
3029	Parking Lot #11 Expansion and Improvements	10,434,241	10,434,241	-	-	10,434,241	0	100%
3030	Perimeter Site Improvements	6,736,615	6,736,615	-	-	6,736,615	0	100%
3031	Tessman Planetarium Upgrade and Restroom Addition	3,686,064	3,686,064	-	-	3,686,064	0	100%
3032	Dunlap Hall Renovation	5,267,967	5,267,967	-	-	5,267,967	0	100%
3034	SAC Sheriff Training Academy Road	56,239	56,239	-	-	56,239	-	100%
3035	Johnson Center Renovation	49,300	49,300	-	-	49,300	0	100%
3036	Temporary Village	3,868,982	3,868,982	-	-	3,868,982	-	100%
3038	Campus Lighting Upgrade	6,825	6,825	-	-	6,825	-	100%
3042	Central Plant Infrastructure	4,467,571	4,467,571	-	-	4,467,571	0	100%
3043	Property Acquisition 17th/Bristol	5,110,237	5,110,237	-	-	5,110,237	-	100%
3045	Chavez Hall Renovation	138,168	138,168	-	-	138,168	-	100%
TOTAL SANTA ANA COLLEGE		172,085,813	172,085,812	-	-	172,085,812	0	100%
SANTIAGO CANYON COLLEGE								
3004	SCC Infrastructure	37,187,826	37,187,826	-	-	37,187,826	-	100%
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%
3022	Humanities Building	32,558,237	32,558,237	-	-	32,558,237	0	100%
3025	Athletics and Aquatics Center: Netting and Sound System	19,940,273	19,940,273	-	-	19,940,273	0	100%
3026	Science and Math Building	26,415,964	26,415,964	-	-	26,415,964	-	100%
3027	Construct Additional Parking Facilities	1,047,212	1,047,212	-	-	1,047,212	-	100%
3046	Orange Education Center Building Certification	1,337,157	1,337,157	-	-	1,337,157	-	100%
TOTAL SANTIAGO CANYON COLLEGE		183,281,485	183,281,485	0	0	183,281,485	0	100%
DISTRICT/ DISTRICTWIDE OPERATIONS								
3009	Replace Aging Telephone & Computer Network	14,056,433	14,056,433	-	-	14,056,433	-	100%
3039	LED Lighting Upgrade	157,200	157,200	-	-	157,200	-	100%
TOTAL DISTRICT/DISTRICTWIDE		14,213,633	14,213,633	-	-	14,213,633	-	100%
COMPLETED PROJECTS - ALL SITES		369,580,931	369,580,930	-	-	369,580,930	0	100%
RECAP:								
Santa Ana College		173,244,859	173,080,734	88,977	4,703	173,174,414	70,444	100%
Santiago Canyon College		184,681,751	183,546,719	37,636	183,093	183,767,448	914,303	100%
District/Districtwide Operations		14,726,638	14,633,438	0	0	14,633,438	93,200	99%
GRAND TOTAL - ALL SITES		372,653,248	371,260,891	126,613	187,796	371,575,300	1,077,947	100%
SOURCE OF FUNDS								
ORIGINAL Bond Proceeds		337,000,000						
Refunding Proceeds		5,001,231						
Interest Earned		30,652,017						
Totals		372,653,248						

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

MEASURE Q

Projects Cost Summary
01/31/17 on 01/31/17

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2016-2017		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
ACTIVE PROJECTS								
SANTA ANA COLLEGE								
3032	Dunlap Hall Renovation	12,634,041	12,620,659	-	13,382	12,634,041	0	100%
	Agency Cost		559	-		559		
	Professional Services		1,139,116	-	13,382	1,152,498		
	Construction Services		11,480,984	-	-	11,480,984		
	Furniture and Equipment		-	-	-	-		
3035	Johnson Student Center	38,957,630	509,351	431,003	3,751,676	4,692,030	34,265,600	12%
	Agency Cost		343	4,239	1,994	6,576		
	Professional Services		509,007	426,764	3,749,683	4,685,454		
	Construction Services		-	-	-	-		
	Furniture and Equipment		-	-	-	-		
3042	Central Plant Infrastructure	68,170,000	13,755,800	15,264,688	9,657,150	38,677,638	29,492,362	57%
	Agency Cost		322,282	(9,052)	1,905	315,134		
	Professional Services		5,629,739	1,070,151	5,501,092	12,200,982		
	Construction Services		7,803,780	14,203,589	4,154,153	26,161,522		
	Furniture and Equipment		-	-	-	-		
3043	17th & Bristol Street Parking Lot	2,500,000	136,167	3,275	42,839	182,281	2,317,719	7%
	Agency Cost		15,110	-	139	15,249		
	Professional Services		68,061	3,275	42,700	114,036		
	Construction Services		52,996	-	-	52,996		
	Furniture and Equipment		-	-	-	-		
3049	Science Center & Building J Demolition	73,380,861	1,709,965	1,273,289	2,497,059	5,480,313	67,900,548	7%
	Agency Cost		348	386,712	1,688	388,748		
	Professional Services		1,709,617	886,577	2,495,371	5,091,565		
	Construction Services		-	-	-	-		
	Furniture and Equipment		-	-	-	-		
3056	Johnson Demolition	2,500,000	605	990	700	2,295	2,497,705	0%
	Agency Cost		120	-	-	120		
	Professional Services		485	-	-	485		
	Construction Services		-	990	700	1,690		
	Furniture and Equipment		-	-	-	-		
TOTAL		198,142,532	28,732,546	16,973,246	15,962,806	61,668,598	136,473,934	31%
ACTIVE PROJECTS		198,142,532	28,732,546	16,973,246	15,962,806	61,668,598	136,473,934	31%
SOURCE OF FUNDS								
	ORIGINAL Bond Proceeds	198,000,000						
	Interest Earned	142,532						
	Totals	198,142,532						

Rancho Santiago Community College
Unrestricted General Fund Cash Flow Summary
FY 2016-2017, 2015-2016, 2014-2015
YTD Actuals-Januray 31, 2017

	FY 2016/2017											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February	March	April	May	June
Beginning Fund Balance	\$37,337,509	\$43,659,310	\$38,942,462	\$40,612,040	\$33,065,118	\$34,231,763	\$42,436,290	\$43,057,091	\$43,057,091	\$43,057,091	\$43,057,091	\$43,057,091
Total Revenues	13,118,834	7,775,788	14,807,440	6,989,278	16,318,429	21,285,974	12,932,478					
Total Expenditures	6,797,032	12,492,636	13,137,862	14,536,199	15,151,783	13,081,448	12,311,677					
Change in Fund Balance	6,321,801	(4,716,848)	1,669,577	(7,546,922)	1,166,645	8,204,527	620,801	0	0	0	0	0
Ending Fund Balance	\$43,659,310	\$38,942,462	\$40,612,040	\$33,065,118	\$34,231,763	\$42,436,290	\$43,057,091	\$43,057,091	\$43,057,091	\$43,057,091	\$43,057,091	\$43,057,091

	FY 2015/2016											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$26,389,958	\$33,760,785	\$28,433,699	\$33,215,060	\$26,385,950	\$22,398,504	\$48,655,042	\$42,536,913	\$37,514,073	\$38,286,526	\$47,812,448	\$40,669,186
Total Revenues	14,244,503	6,444,443	17,588,326	7,209,443	11,458,655	38,551,516	5,737,888	8,326,767	14,201,229	22,411,480	7,788,719	17,380,868
Total Expenditures	6,873,676	11,771,529	12,806,966	14,038,552	15,446,100	12,294,979	11,856,017	13,349,606	13,428,776	12,885,558	14,931,981	20,712,546
Change in Fund Balance	7,370,827	(5,327,086)	4,781,361	(6,829,110)	(3,987,446)	26,256,537	(6,118,129)	(5,022,839)	772,453	9,525,922	(7,143,262)	(3,331,678)
Ending Fund Balance	\$33,760,785	\$28,433,699	\$33,215,060	\$26,385,950	\$22,398,504	\$48,655,042	\$42,536,913	\$37,514,073	\$38,286,526	\$47,812,448	\$40,669,186	\$37,337,509

	FY 2014/2015											
	July	August	September	October	November	December	January	February	March	April	May	June
Beginning Fund Balance	\$27,739,523	\$32,666,433	\$29,404,614	\$28,748,094	\$21,976,034	\$22,144,852	\$37,611,213	\$38,435,535	\$31,154,090	\$31,279,907	\$39,748,481	\$32,434,104
Total Revenues	12,347,417	7,989,510	12,117,283	7,274,970	13,596,920	27,460,042	13,197,669	5,864,310	12,974,089	20,664,808	5,750,375	10,406,896
Total Expenditures	7,420,507	11,251,330	12,773,804	14,047,030	13,428,102	11,993,681	12,373,347	13,145,754	12,848,272	12,196,234	13,064,752	16,451,041
Change in Fund Balance	4,926,911	(3,261,819)	(656,520)	(6,772,060)	168,818	15,466,361	824,322	(7,281,444)	125,817	8,468,574	(7,314,377)	(6,044,146)
Ending Fund Balance	\$32,666,433	\$29,404,614	\$28,748,094	\$21,976,034	\$22,144,852	\$37,611,213	\$38,435,535	\$31,154,090	\$31,279,907	\$39,748,481	\$32,434,104	\$26,389,958

Notes:
 * Beginning in FY 2015/16, cash flow activity will be for Unrestricted Ongoing General Fund (11) and not Unrestricted One-Time Funds (13)

Fiscal Resources Committee
Executive Conference Room – District Office
1:30 p.m. – 3:00 p.m.

Meeting Minutes for November 16, 2016

FRC Members Present: Arleen Satele, Steven Deeley, Mary Mettler, Pilar Gutierrez-Lucero, Peter Hardash, Adam O'Connor, Lee Krichmar, Morrie Barembaum, Maria Gil and Elliot Jones

Alternates/Guests Present: Esmeralda Abejar, Jose Vargas and Richard Kudlik

1. Welcome: Mr. Hardash called the meeting at 1:36 p.m. Committee members introduced themselves.

2. State/District Budget Update – Hardash

LAO 2017-18 Fiscal Outlook Report – The Outlook added a few hours ago. No surprises in report. From legislative analysts, an independent office that advises the governor. The last few reports have been very good and objective. Reports signal direction governor may go with his proposed budget in January. General tone: State is in good condition. They do include prop 51 passing, high wealth taxes to continue through foreseeable future. Sale tax naturally come off as of December 31st. Projections indicate coming event of mild recession, as in previous reports. Doesn't include a lot of state revenue increases. Points out increase in PERS and STRS costs and that PERS may again employer raise rates, included in state costs. Costs would go up as a district, not the employee portion. STRS portion of state budget, contributing approx. 8% beyond what district and employees contribute.

Education and Prop 98, minimum guaranteed funding, is most important to us. Talks about test 1, 2, 3 condition. 15/16 year, which state has not yet closed out, has less money owed to prop 98. A loss of approx. \$1M for us. 16/17 signaled as a test 3 situation. Losing about \$27K. For 17/18, prop 98 doesn't grow much, about 2.7% or \$1.4B for all Prop 98. Community College share should be about \$308M, for RSCCD \$7M increase. We have BCP from Board for about \$800M of "wants". Have to wait for Governor's proposal in January to see how money will be divided. Indicated may be only 1-1.5% increase in growth funds due to districts not growing. This will mean our constrained growth rate at only .5% maximum. This year we were constrained to .6% growth despite 2% funding statewide. COLA is signaled at approx. 1% or \$75M systemwide. No indication on how it will be divided yet.

LAO points out increased pension costs, k-12 enrollment declining. No mention of college enrollment declining because each district is different. COLAs would likely remain low in the future.

3. Report from BAM language subcommittee:

As part of our annual review of our Budget Allocation Model and process, our subcommittee met multiple times since last FRC meeting for our review and are bringing forward a few recommended changes and updates to the BAM at this time which clarify and make improvements. The group consisted of Steven Deeley, Elliot Jones, Maria Gil, Mike Collins, Arleen Satele, Jim Kennedy, Jose Vargas and Adam O'Connor.

Only a few pages that needed changes. The first area is page 6 (page 5 of BAM) regarding how budget center reserves and deficits are handled. Language was tightened. Strong recommendation for colleges to maintain contingency changed to

requirement. At adopted budget, minimum 1% of fund 11 expenditures set aside as contingency. Clarified language. If deficit occurs, must immediately must create an expenditure reduction plan including amount of reduction plus plan to return to 1% contingency reserve level. If significant decline, also need to prepare a request for a payback with payback period for our review and recommendation. Discussion of caps left out and intended for future discussion.

Next section is page 9 (page 8 or BAM) discussing mandated block grant money. Previously had allocations for specific mandates where money would be granted, then audited and returned. That process no longer happens. We now have both one time and ongoing allocations based on FTES. Language was clarified. Ongoing portion of mandate money will go through model and one time payments will be discussed in committee to determine how they will be allocated. Ongoing FTES will continue through next year.

Next section is page 10 (page 9 in BAM) discussing indirect allocations, as requested by Enrique Perez. Some grants allow for indirect cost allocation. In grant, direct cost would be person working on grant. Some grants allow other expenses, such as overhead or payroll, to be taken as an indirect cost, usually at a percentage of the grant (1%, 5%, 10%, etc.). We charge that percentage and what is accumulated rolls into the next year. With college grants, it was agreed that the colleges would keep the indirect costs from the grants. For district grants, the money would roll over into the budget stabilization fund. It was requested that we look at this due to the larger grants. Request was for increasing support back to the college for other grants, and that they could also carryover a portion of the indirect costs. It was requested that they keep 100%, but committee recommends that 25% rolls into the budget stabilization fund, 25% offset in budget model to flow through to colleges, and 50% stays with the Educational Services Department to provide support services to the colleges for the following year. This applies to grants administered through educational services. Last year's grant was approximately \$100K, this year has two \$15M grants that have a large portion of indirect costs. Because we are a fiscal agent we have more responsibility related to it.

Pages 13/14 adds check marks that go along with indirect costs and acknowledges that the district services also has indirect cost opportunities there. Pages 15/16 adds definitions for college reserve, ending fund balance, institutional reserve.

A motion by Steven Deeley and seconded by Arleen Satele to recommend to District Council the changes to the BAM as presented. Motion passed unanimously.

4. College Comparisons:

The subcommittee also requested to go through various comparisons between the two colleges and reported on these comparisons. Page 19 is credit side. Compares dollars and percent by two colleges by type of expenditures. For Academic Salaries, SAC has \$35.9M/68.61%, SCC \$16.4M/31.39%. Credit FTES are credit expenditures earned by the colleges. For example, SAC is 69.67% vs total expenditures of 67.36%, SCC is earning 30.33% of FTES vs total expenditures of 32.64%. There were many anomalies discussed, for example Apprenticeship is only at SCC. Instructional Services at SAC is another anomaly, which also increases faculty hires. Others items could be taken out to skew differently.

Additional comparisons of full time Academic and Classified staff at each college, total amount spent by FTES earned, academic and classified salary and benefits per FTES, and FTES per number of full time faculty. Based on fund 11 and 13 only. Does not include part time faculty.

Next page includes same comparisons on non-credit side. Can request information from HR for further comparisons. Helps to show expenses on campuses and how to handle budgeting. Including part time faculty would be helpful.

Enrollment is down at SAC approx. 4%, SCC down 3.4 or 3.2% combined. Campuses are down about 3-4% overall. Discussion about going into stabilization. There may be a disconnect between the information at the committee and campus levels.

Concern over limited scheduling, classes canceled at 15 or 17 students citing Board policies. Campus decides whether to cancel classes based on enrollment levels. State level is 35 students per class, campus can run classes at lower efficiency level. Would need to make cuts elsewhere in expenses to offset. Discussion of whether running a lower enrollment class is beneficial to college growth or harmful to budget. Final decisions in enrollment management are at campus level. We are currently in stabilization. Growth funding is capped at .5% regardless of growth above cap. Request to discuss efforts to change statewide growth caps. Current efforts have been ineffective. Will discuss model and additional efforts at future meetings.

Question was raised about having an outside evaluation on model to give additional perspective on changes that can be made. Chancellor's office has initiated IEPI team to come in at Chancellor's level to visit and analyze model, look at operations, staffing, enrollment. Currently looking how to make that happen. SAC has submitted but will not get a visit until Spring. May be a year before visit to district.

5. District Council November 7, 2016 meeting:

POE Committee – Goals Progress Report/Status Report Forms - Mettler

Report from POE committee included goals progress report, status report forms. Tasked to summarize information to flow through district model and report back to committee with goals for this year, and progress as of this meeting, then reevaluate at end of year. Goals refer to committee goals, for example POE committee goals are align the planning and budget cycles between the colleges and the district, to serve as an oversight committee for the district mission and strategic plan, and six additional goals. No limit to number of goals.

FRC website lists committee responsibilities, including review and evaluate the model, monitor state budget development and make recommendations, develop assumptions for tentative adopted budgets. Total of seven responsibilities listed.

Question whether to include "reviews enrollment management and develop annual FTE targets" based on earlier discussion. Committee reviews outcome, 320 reports, and effects on budgets but committee does not develop targets. Decided not to include development section of that goal. First four responsibilities should be included.

Responsibility regarding FTES should be reviewed and possibly eliminated as DEMC is no longer in existence.

Status of goals:

1. Reviews and evaluates resource allocation model – reviewed and approved recommended changes
2. Monitor state budget developments and make mid-year adjustments – reviewed, no adjustments made at this time, waiting on January governor's proposal
3. Develops assumptions for tentative and adopted budgets – 16/17 Tentative and adoptive budget assumptions were developed and reviewed by FRC
4. Develops district budget process calendar – completed once a year. 16/17 Tentative and adoptive budget process calendar was developed and reviewed by FRC

The committee agreed this should be submitted to POE, and committee members to be provided a copy.

6. Informational Handouts - Hardash

- District-wide expenditure report link: <https://intranet.rscsd.edu>
- Vacant Funded Position List as of November 10, 2016
- Measure “E” Project Cost Summary as of October 31, 2016
- Measure “Q” Project Cost Summary as of October 31, 2016

Measure E and Q committees met and approved their annual reports. Board of Trustees received copies of reports, and copies are on the district website. Zeke Hernandez has been elected to the Board of Trustees. There is now an opening for the Measure E committee. Applications are online.

- Monthly Cash Flow Summary as of October 31, 2016

7. Approval of the FRC Minutes – October 19, 2016 – Hardash

Mr. Hardash called for a motion to approve the Fiscal Resources Committee Minutes of the October 19, 2016 meeting. A motion was made by Mike Collins, seconded by Jim Kennedy and approved unanimously.

Next meeting: Wednesday, January 22, 2017, 1:30 – 3:00 in the Executive Conference Room, District Office. Email only meeting with Governor’s proposed budget will be emailed for January 25, 2017.

The meeting was adjourned at 2:41 p.m.