

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT**  
[website: Fiscal Resources Committee](#)

**Agenda for January 13, 2021**

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

Zoom Meeting

1. Welcome
2. State/District Budget Update – O’Connor
  - 2021-22 Proposed State Budget report link: <http://www.ebudget.ca.gov>
  - LAO 2021-22 Overview of Governor's Budget link: <https://lao.ca.gov/Budget>
  - DOF – November 2020 Finance Bulletin
  - DOF – December 2020 Finance Bulletin
  - SSC – Voters Reject the Split Roll Initiative but Approve Proposition 19
  - SSC – Ask SCC....What about the FON?
  - SSC – CalPERS System Funded Levels Increase
  - SSC – Congress Reaches Agreement on Stimulus and 2021 Spending Plan
  - SSC – Economy Faces Headwinds Despite Improvements
  - SSC – LAO Issues Rosy Fiscal Outlook for Education
  - SSC – New Contract Bid Threshold Effective 2021
  - SSC – State Revenues Strong Despite Headwinds
  - SSC – LAO Makes Recommendations on Deferrals
  - CCCCCO COVID Stimulus Update
  - [Budget Presentation to Board of Trustees January 11, 2021](#)
3. Continued discussion of SCFF and review of BAM - Cambridge West Partnership Consultants
4. FRC Accomplishments and Goals/Planning Design Review - **ACTION**
5. Mid-Year Updates
  - Unrestricted General Fund Expenditure Update
  - Preliminary FTES Update for (P1) *(will be available as Additional Handout)*
6. Standing Report from District Council – Craig Rutan
7. Informational Handouts
  - District-wide expenditure report link: <https://intranet.rscgd.edu>
  - Vacant Funded Position List as of January 7, 2021
  - Measure “Q” Project Cost Summary as of December 31, 2020
  - Monthly Cash Flow Summary as of December 31, 2020
  - [SAC Planning and Budget Committee Agendas and Minutes](#)
  - [SCC Budget Committee Agendas and Minutes](#)
  - Districtwide Enrollment Management Workgroup Minutes
8. Approval of FRC Minutes – November 18, 2020
9. Other

**Next FRC Committee Meeting:** February 17, 2021, 1:30-3:00 pm

**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.**



# Finance Bulletin

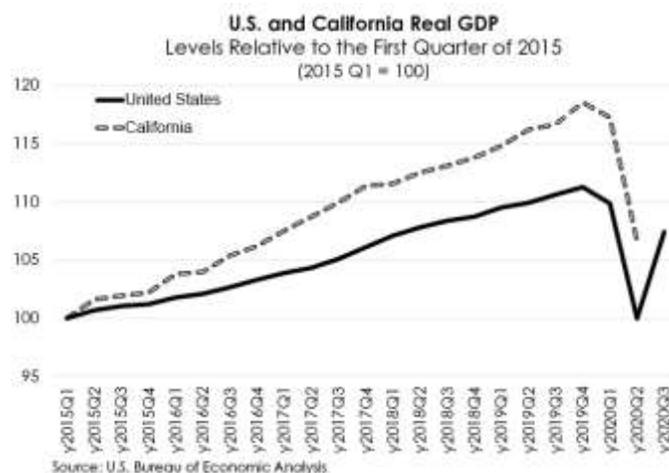
Keely Bosler, Director

## Economic Update

The U.S. unemployment rate declined for the sixth consecutive month to 6.9 percent in October, twice as high as the February rate of 3.5 percent. The U.S. labor force participation rate rose by 0.3 percentage point to 61.7 percent, and civilian employment rose to 149.8 million in October—remaining below February levels of 63.4 percent and 158.8 million, respectively. The U.S. gained 638,000 nonfarm jobs in October, after adding 1.5 million and 672,000 jobs in August and September, respectively. The U.S. has now added 12.1 million jobs from May through October after losing 22.2 million in March and April.

## U.S. AND CALIFORNIA GDP

■ Following two consecutive declines of 5.0 percent and 31.4 percent in the first and second quarter of 2020, respectively, U.S. real GDP grew at a record-high 33.1 percent at a seasonally adjusted annualized rate (SAAR) in the third quarter of 2020. The level of U.S. real GDP in the third quarter was around the same level as in the first quarter of 2018. The growth was driven by personal consumption expenditures (contributing 25.3 percentage points of the real GDP increase). Gross private domestic investment grew by 83.0 percent, contributing 11.6 percentage points. The drags on third quarter growth included net exports (contributing -3.1 percentage points) as imports grew faster than exports, as well as government spending as state and local governments began pulling back (-0.7 percentage point).



■ California real GDP fell by 31.5 percent in the second quarter after falling by 4.3 percent in the first quarter of 2020. Its share of U.S. real GDP remained unchanged at 14.8 percent. All of California's 11 nonfarm major industry sectors' GDP declined in the second quarter, led by leisure and hospitality (contributed -7.3 percentage points to the decline), trade, transportation, and utilities (-6.4 percentage points), manufacturing (-4.3 percentage points), professional and business services (-4.1 percentage points), educational and health services (-3.9 percentage points), government (-2.1 percentage points), other services (-1.6 percentage points), construction (-1.2 percentage points), information (-0.9 percentage point), financial activities (-0.6 percentage point) and mining and logging (-0.1 percentage point).

## BUILDING ACTIVITY

■ California's residential housing units authorized by building permits totaled 131,000 units in September, a 36.1-percent increase from August and 0.8 percent lower than in September 2019 as single-family units increased by 25.8 percent on a year-over-year basis to 74,000 units while multi-family units fell by 22.1 percent to 57,000 units. Year-to-date residential permits for the first three quarters of 2020 was just under 100,000 units compared to 111,000 units for the same period in 2019, or 9.8 percent lower. The year-to-date decline was largely driven by multi-family units which were down 18.9 percent (averaging 44,800 units in the first three quarters of 2020), compared to single family units which were down only 0.7 percent (55,100 units) from the same period last year. California nonresidential building permits' annualized valuation in September was \$20.5 billion, down 6.6 percent from a month ago and down 1.5 percent from a year ago. The average nonresidential valuation for the first three quarters of 2020 was \$23.2 billion, down 29.4 percent compared to the same period in 2019.

## MONTHLY CASH REPORT

Preliminary General Fund agency cash receipts for the first four months of the fiscal year were \$11.332 billion above the 2020-21 Budget Act forecast of \$52.552 billion. Cash receipts for the month of October were \$2.619 billion above the 2020-21 Budget Act forecast of \$7.142 billion. Preliminary General Fund agency cash receipts for the entire 2019-20 fiscal year were \$1.135 billion above the 2020-21 Budget Act forecast of \$123.395 billion, or 0.9 percentage point above forecast. Total collections for March through October 2020 were down by 1.3 percent from the same period in 2019.

- Personal income tax cash receipts to the General Fund for the first four months of the fiscal year were \$8.76 billion above forecast. Cash receipts for October were \$2.093 billion above the month's forecast of \$5.257 billion. Withholding cash receipts were \$1.831 billion above the forecast of \$4.869 billion. Other cash receipts were \$337 million above the forecast of \$1.912 billion. Refunds issued in October were \$36 million above the expected \$1.431 billion. Proposition 63 requires that 1.76 percent of total monthly personal income tax collections be transferred to the Mental Health Services Fund (MHSF). The amount transferred to the MHSF in October was \$39 million higher than the forecast of \$93 million.
- Sales and use tax cash receipts for the first four months of the fiscal year were \$2.064 billion above forecast. Cash receipts for October were \$423 million above the month's forecast of \$1.315 billion. October included the final payment for third quarter taxable sales.
- Corporation tax cash receipts for the first four months of the fiscal year were \$574 million above the forecast of \$6.815 billion. Cash receipts for October were \$245 million above the month's forecast of \$277 million. Estimated payments were \$8 million below the forecast of \$268 million, and other payments were \$9 million higher than the \$294 million forecast. Total refunds for the month were \$244 million lower than the forecast of \$284 million.
- Insurance tax cash receipts for the first four months of the fiscal year were \$103 million above forecast. Insurance tax cash receipts for October were \$6 million below the forecast of \$37 million. Cash receipts from the alcoholic beverage, tobacco taxes, and pooled money interest for the first four months of the fiscal year were \$40 million below forecast, and were \$8 million below the forecast of \$70 million for October. "Other" Cash receipts for the first four months of the fiscal year were \$129 million below forecast, and were \$128 million below the forecast of \$187 million for October.

### 2020-21 Comparison of Actual and Forecast Agency General Fund Revenues

Revenue Source	OCTOBER 2020				2020-21 YEAR-TO-DATE			
	Forecast	Actual	Change	Percent Change	Forecast	Actual	Change	Percent Change
Personal Income	\$5,257	\$7,350	\$2,093	39.8%	\$37,522	\$46,282	\$8,760	23.3%
Sales & Use	1,315	1,737	423	32.2%	6,404	8,468	2,064	32.2%
Corporation	277	522	245	88.3%	6,815	7,389	574	8.4%
Insurance	37	31	-6	-15.9%	731	834	103	14.1%
Estate	0	0	0	0.0%	0	0	0	0.0%
Pooled Money Interest	32	19	-14	-42.5%	129	77	-52	-40.3%
Alcoholic Beverages	33	37	4	13.3%	135	146	11	8.4%
Tobacco	4	5	1	20.9%	20	21	1	6.3%
Other	187	59	-128	-68.3%	795	666	-129	-16.3%
<b>Total</b>	<b>\$7,142</b>	<b>\$9,761</b>	<b>\$2,619</b>	<b>36.7%</b>	<b>\$52,552</b>	<b>\$63,884</b>	<b>\$11,332</b>	<b>21.6%</b>

This is an agency cash report and the data may differ from the Controller's report to the extent that cash received by agencies has not yet been reported to the Controller.

Totals may not add due to rounding. The forecast is from the 2020-21 Budget Act.



# Finance Bulletin

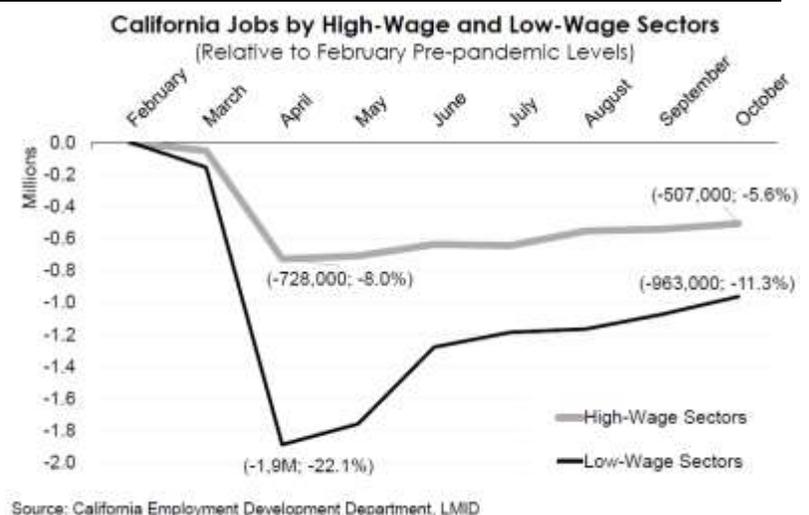
Keely Bosler, Director

## Economic Update

The U.S. unemployment rate decreased by 0.2 percentage point to 6.7 percent in November, after falling by a full percentage point in October. The U.S. labor force decreased by 400,000 people to 160.5 million in November, with 74,000 fewer employed and 326,000 fewer unemployed compared to October. There were nine million fewer employed Americans in November than in February, with 4.1 million fewer people in the labor force. The U.S. labor force participation rate was 61.5 percent in November, down from 63.4 percent in February. The U.S. added 245,000 nonfarm jobs in November, following a 610,000-job gain in October. Since May, the U.S. has added 12.3 million jobs, or 55.6 percent of the 22.2 million jobs lost in March and April.

## LABOR MARKET CONDITIONS

■ California's unemployment rate decreased by 1.8 percentage points to 9.3 percent in October, but still more than double its pre-pandemic rate of 3.9 percent in February. California's labor force increased to 19.3 million in October, as civilian employment increased by 889,000 and civilian unemployment decreased by 279,000. Despite these record gains, there were 1.3 million fewer employed Californians in October than in February, with 238,000 fewer people in the labor force and one million more unemployed civilians. California's labor force participation rate increased by 0.8 percentage point to 61.6 percent in October, down from February's rate of 62.6 percent.



■ California added 145,500 nonfarm jobs in October, bringing total job gains since May to 1.1 million, or 43.8 percent of the 2.6 million jobs lost in March and April. As of October, California nonfarm employment was 1.5 million or 8.4 percent below February's level of 17.6 million. All four lower-wage sectors added jobs in October: leisure and hospitality (66,000 jobs added), trade, transportation and utilities (22,700), other services (13,700) and education and health services (7,800). Five out of the seven higher-wage sectors added jobs: professional and business services (35,800), construction (26,300), financial activities (7,100), manufacturing (4,500), and information (2,900). Job losses were in government (-41,400) and in mining and logging (-200).

## INTERNATIONAL TRADE

■ Commodity exports through California averaged \$127.9 billion in the first ten months of 2020, down 12.0 percent from the same period last year and the lowest October year-to-date average since 2010. In comparison, U.S. commodity exports through October were down 14.5 percent compared to the same period in 2019. California imports of goods averaged \$322.5 billion through October, down 5.5 percent from the same period in 2019 and the lowest year-to-date average since 2013. In comparison, U.S. commodity imports were down 8.9 percent year-to-date.

## REAL ESTATE

■ California's median home price decreased to \$711,300 in October, following September's record-high of \$712,430. Home sales volume decreased 1.0 percent on a month-over-month basis to 484,510 units, after hitting its highest volume since February 2009 in September (489,590 units) and were 19.9 percent above October 2019. Year-to-date, home prices were up 8.3 percent, while sales volume was down by 1.3 percent.

## MONTHLY CASH REPORT

Preliminary General Fund agency cash receipts for the first five months of the fiscal year were \$13.772 billion above the 2020-21 Budget Act forecast of \$60.663 billion. Cash receipts for the month of November were \$2.429 billion above the 2020-21 Budget Act forecast of \$8.081 billion. Preliminary General Fund agency cash receipts for the entire 2019-20 fiscal year were \$1.135 billion above the 2020-21 Budget Act forecast of \$123.395 billion, or 0.9 percentage point above forecast. Total collections for March through November 2020 are up 0.4 percent from the same period in 2019. Since the 2009-10 fiscal year, total revenues have grown at an average annual growth rate of 5.7 percent.

- Personal income tax cash receipts to the General Fund for the first five months of the fiscal year were \$10.285 billion above forecast. Cash receipts for November were \$1.513 billion above the month's forecast of \$4.729 billion. Withholding cash receipts were \$1.199 billion above the forecast of \$4.751 billion. Other cash receipts were \$178 million above the forecast of \$660 million. Refunds issued in November were \$165 million below the expected \$598 million. Proposition 63 requires that 1.76 percent of total monthly personal income tax collections be transferred to the Mental Health Services Fund (MHSF). The amount transferred to the MHSF in October was \$28 million higher than the forecast of \$84 million.
- Sales and use tax cash receipts for the first five months of the fiscal year were \$3.004 billion above forecast. Cash receipts for November were \$940 million above the month's forecast of \$2.313 billion. November included a portion of the final payment for third quarter taxable sales.
- Corporation tax cash receipts for the first five months of the fiscal year were \$714 million above the forecast of \$6.98 billion. Cash receipts for November were \$140 million above the month's forecast of \$165 million. Estimated payments were \$10 million above the forecast of \$164 million, and other payments were \$19 million lower than the \$218 million forecast. Total refunds for the month were \$149 million lower than the forecast of \$217 million.
- Insurance tax cash receipts for the first five months of the fiscal year were \$50 million above forecast. Insurance tax cash receipts for November were \$53 million below the forecast of \$628 million. Cash receipts from the alcoholic beverage, tobacco taxes, and pooled money interest for the first five months of the fiscal year were \$42 million below forecast, and were \$2 million below the forecast of \$55 million for November. "Other" Cash receipts for the first five months of the fiscal year were \$239 million below forecast, and were \$109 million below the forecast of \$191 million for November.

### 2019-20 Comparison of Actual and Forecast Agency General Fund Revenues

Revenue Source	NOVEMBER 2020				2020-21 YEAR-TO-DATE			
	Forecast	Actual	Change	Percent Change	Forecast	Actual	Change	Percent Change
Personal Income	\$4,729	\$6,243	\$1,513	32.0%	\$42,252	\$52,537	\$10,285	24.3%
Sales & Use	2,313	3,253	940	40.6%	8,717	11,721	3,004	34.5%
Corporation	165	305	140	-84.5%	6,980	7,694	714	10.2%
Insurance	628	575	-53	-8.5%	1,359	1,409	50	3.7%
Estate	0	0	0	0.0%	0	0	0	0.0%
Pooled Money Interest	16	13	-4	-23.1%	146	90	-56	-38.4%
Alcoholic Beverages	33	35	2	4.6%	168	181	13	7.6%
Tobacco	5	5	0	-5.1%	25	26	1	3.9%
Other	191	81	-109	-57.3%	986	747	-239	-24.2%
<b>Total</b>	<b>\$8,081</b>	<b>\$10,510</b>	<b>\$2,429</b>	<b>30.1%</b>	<b>\$60,633</b>	<b>\$74,406</b>	<b>\$13,772</b>	<b>22.7%</b>

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[Click Here for COVID-19 Related Resources](#)

## COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: NOVEMBER 1, 2020

### Voters Reject the Split Roll Initiative but Approve Proposition 19



**BY KYLE HYLAND**

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posted November 12, 2020

Late Tuesday evening—November 10, 2020—the Associated Press (AP) projected that Proposition 15 has been defeated by voters, 51.8% to 48.2% (for which the totals were provided by the Secretary of State as of Thursday morning).

The split roll initiative would have amended Proposition 13, the landmark property tax initiative passed by voters in 1978, by increasing property taxes on commercial and industrial properties, which would have raised between \$6.5 and \$11 billion annually for K–14 schools and local governments.

Proponents of the split roll can find some solace in the measure's defeat in that, despite running this initiative during a significant economic recession, voters almost took the measure across the finish line. The fact that less than 600,000 votes (out of the nearly 16 million cast) currently separates the “no” and “yes” campaigns will likely give proponents thoughts of running a similar initiative in 2022, with the hope that the state’s economy will have improved vastly in order to create a more conducive environment for a similar measure to pass.

Opponents can claim that the failure of the initiative, during an election that will likely yield record voter turnout, shows the durable support of Proposition 13 (1978) and that voters continue to reject any significant changes to the 1978 law that caps annual property tax increases.

While voters narrowly rejected the split roll measure, the AP projects that they approved Proposition 19 by a 51.1% to 48.9% margin (as of the morning of Thursday, November 12, 2020).

Proposition 19 allows homeowners who are over the age of 55, severely disabled, or victims of natural disasters to transfer part of their property tax base with them when they sell their residence and purchase a new one. It also ensures that when a home is transferred from a deceased parent or grandparent it must remain a primary residence in order to be shielded from reassessment.

Although schools and local governments will not receive the billions of dollars in revenues that Proposition 15 would have yielded, they are expected to receive tens of millions of dollars in property tax revenues with the passage of Proposition 19, according to the Legislative Analyst’s Office.

Proposition 19 will officially become state law on the fifth day after the Secretary of State certifies the 2020 election results.

[Click Here for COVID-19 Related Resources](#)

## COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: DECEMBER 1, 2020

### Ask SSC . . . What About the FON?

 [BY SHEILA G. VICKERS](#)

 [BY KATHLEEN SPENCER](#)

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posted December 16, 2020

**Q.** I am new to community colleges and I am learning about the faculty obligation number (FON) requirement. Can you tell me where this comes from and how we handle this in the current challenging fiscal environment?

**A.** The FON requirement comes from the full-time faculty obligation language that was included in Assembly Bill (AB) 1725 (Chapter 973/1988), which created a program-based funding model for the California Community Colleges. Inherent in the model is the goal to reach at least 75% of the hours of credit instruction being taught by full-time faculty.

AB 1725 added Section (§) 87482.6 to the Education Code, which requires that, until program-based funding is fully implemented, community college districts that are below the 75% threshold must show progress toward that goal based upon how far below the target they are and how much additional funding is provided in the State Budget Act for credit full-time equivalent students each year. The regulations related to this requirement are in Title 5 California Code of Regulations § 51025.

The Chancellor's Office calculates the minimum requirement each year and the end result is the unique FON for each community college district, which can be found [here](#).

FON compliance is measured, for a given year's funding from the State Budget Act, in the fall term of the following year. By November 20 of each year, the Board of Governors (BOG) is required to determine whether there are sufficient resources provided to community college districts to fully implement the required increase in the FON for the next fall.

During years, such as the current one, when the State Budget Act does not provide sufficient funding to increase the FON, the BOG can take action to allow community college districts to maintain, at a minimum, the full-time faculty percentage from the fall term currently in session, rather than being required to implement an increased FON requirement for the next fall term. This exception was provided for several years during the Great Recession and is also being provided in the current year. At the November 16–17, 2020, BOG meeting action was taken to not require the full implementation of the FON for fall 2021.

[Click Here for COVID-19 Related Resources](#)

## COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: NOVEMBER 1, 2020

### CalPERS System Funded Levels Increase

 [BY ROBERT MCENTIRE, EDD](#)

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During its final quarterly meeting of the year, the California Public Employees' Retirement System (CalPERS) Finance and Administration Committee examined the financial soundness of the overall CalPERS system in an information item called the "Annual Review of Funding Levels and Risk Report." This report tracks the progress through the four-year Asset Liability Management (ALM) cycle per the Fund Risk Mitigation Policy adopted in November 2015. As part of the annual process, the Actuarial Office compiles analysis designed to support the Strategic Plan goal of fund sustainability, strengthening the long-term sustainability of the pension fund.

At the November 17, 2020 meeting, the committee reviewed various system level actuarial results and risk measures used to assess the effectiveness of funding policies, actuarial assumptions, and methods. Analysis of risks to the system centered on the COVID-19 pandemic, funded status improvement, changing pension environment, and system risks. Remember that school employers—which includes community colleges, charter schools, and other local educational agencies—comprise just one of several pools of CalPERS employers.

Figure 1 (below) shows an examination of the year-over-year program funded status for each employer group based on a 7.0% discount rate, demonstrating that all programs improved their funded status except for schools, which declined slightly from 68.6% to 68.5% funded. A decline in funding status result feels counterintuitive given that the schools contribution rate increased from 20.7% to 23.6% from 2018–19 to 2019–20, respectively. However, this serves to highlight how important the system return on investment is annually. The system cannot solve the funding problem based on employer and employee contributions alone.

# Current Results

## Funded Status Based using a 7.00% Discount Rate



Source: Annual Review of Funding Levels and Risks Report ([Attachment 2](#))

The impact of the pandemic stressed several key concerns, principal of which, is employers' ability to continue making required contributions while under financial strain. Other risks include meager investment returns of 4.7% in 2019–20, the impact of higher mortality rates (including more than 16,000 Californians to date), and increases in retirement rates. Employer financial pressures note increases in required employer contributions over the next several years, increased usage of pension obligation bonds, early retirement incentives, and furloughs. An increasing share of the newer members that are subject to the Public Employees' Pension Reform Act of 2013, will eventually put downward pressure on the risk measures in future years.

Improvements in funded status and recent changes to amortization policies have generally reduced the risk that plans will fall to low funding levels. However, projections are built on a model that requires growing employer contributions and this continued source of stress on paying agencies represents the greatest risk to the model. Despite recent increases, all agencies are currently up-to-date with their contribution requirements.

CalPERS will complete the ALM process review in November 2021, leaving investment policies, asset allocations, long-term invest returns, and discount rates subject to further adjustment.

Information regarding the November 2020 Finance and Administration Committee agenda can be found [here](#).

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# COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: DECEMBER 1, 2020

## Congress Reaches Agreement on Stimulus and 2021 Spending Plan



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posted December 21, 2020

On the evening of Sunday, December 20, 2020, congressional leaders announced that they had reached a deal on a \$900 billion COVID-19 relief package and a \$1.4 trillion omnibus spending plan that will keep the government funded through September 30, 2021, the end of the federal fiscal year.

The framework of the deal is similar to the relief package proposed by a bipartisan group of senators on December 14, 2020. A [summary](#) from the House Appropriations Committee says that the relief package earmarks \$82 billion for education providers and will be allocated similarly to the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The \$82 billion includes the following:

- \$54.3 billion for the K–12 Elementary and Secondary School Emergency Relief Fund
- \$22.7 billion for the Higher Education Emergency Relief Fund
  - \$20.2 billion distributed by a formula taking into account head count and full-time equivalent enrollment
  - \$1.7 billion for Historically Black Colleges and Universities, Tribal Colleges and Universities, Hispanic Serving Institutions, and certain other institutions
  - \$113 million for institutions of higher education with unmet need
- \$4.1 billion for the Governor’s Emergency Education Relief Fund

The relief package also includes an extension of the CARES Act Coronavirus Relief Fund (CRF) expenditure deadline from December 30, 2020 to December 31, 2021. As a reminder, the state allocated \$54 million of its CRF share for the California Community Colleges COVID-19 Response Block Grant in the 2020–21 State Budget Act and this extension should alleviate any concerns that community college districts were not going to be able to spend those dollars by December 30.

The two biggest political sticking points during negotiations—aid for state and local governments (pushed by Democrats but opposed by Republicans) and liability protections for businesses (pushed by Republicans but opposed by Democrats)—were not included in the final agreement. It is unknown if the bill includes any liability measures for schools and colleges, but it is unlikely considering liability protections were being discussed broadly during negotiations.

The White House has indicated that President Donald Trump will sign the \$900 billion relief package and the \$1.4 trillion omnibus spending plan shortly after Congress approves those measures, which is expected to be sometime Monday, December 21, 2020.

[Click Here for COVID-19 Related Resources](#)

# COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: DECEMBER 1, 2020

## Economy Faces Headwinds Despite Improvement



[BY PATTI F. HERRERA, EDD](#)

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posted December 21, 2020

The Department of Finance issued its latest and final monthly [Finance Bulletin](#) of the year, which, to no one's surprise, shows an economy pockmarked by the health pandemic that not only has lingered since early spring but has surged in recent weeks, making California one of the nation's current hot spots.

Labor conditions at the state and national level are making gains but employment and labor participation rates are still well below their pre-pandemic levels. California's unemployment rate reached 9.3% in October (down 1.8 percentage points) compared to 6.7% across the U.S. in November 2020. There are nine million fewer people employed nationally and 1.3 million fewer employed Californians than there were just nine months ago. While these numbers appear grim, the U.S. and the state have recovered 55.6% (or 12.3 million) and 48.3% (or 1.1 million), respectively, of the jobs that were lost in March and April, indicating that labor conditions are healing. In California specifically, all major job sectors except for government and mining and logging saw jobs gains in October 2020.

Another important economic indicator for the fifth largest economy in the world is trade. On this front, California imports and exports are both down on a year-to-date basis as well as compared to the same period last year. Imports were down 5.5% from last year, the lowest since 2013, while exports—down 12.0% from last year—reached its deepest trough since 2010.

Despite this sobering data, the state's General Fund is enjoying robust revenues, which continue to outperform June 2020 budget estimates. On a year-to-date basis, revenues are \$13.8 billion above projections and revenue collections from March through November are 0.4% higher than they were for the same period in 2019. In November alone, General Fund revenues were \$2.4 billion higher than anticipated. When looking at the "Big Three" taxes to date, personal income tax (PIT) receipts are \$10.3 billion above budget estimates while sales and use and corporation taxes are \$3.0 billion and \$714 million over forecast, respectively. Revenue from the Big Three taxes generate 77% of the state's operating funds with PIT as a key driver.

On its own, PIT comprises over two-thirds of all state General Fund revenues, and roughly half of PIT revenues are generated by less than 1.0% of California's wealthiest residents. The stock market's sharp rebound from its precipitous drop in the spring—and the fact that high income earners have been virtually unaffected by job losses—has buffered state revenues from the economic shock of the pandemic. If, however, Wall Street loses confidence in the nation's ability to heal, things could change.

We will soon see how investors react to an imminent federal relief deal—if they believe it will be sufficient to prop up the economy—and how cautious Governor Gavin Newsom will be when he releases his January State Budget Proposal in just a few weeks. Economic data show reason for both optimism and caution. What we do know is that nothing is certain.

[Click Here for COVID-19 Related Resources](#)

## COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: NOVEMBER 1, 2020

### LAO Issues Rosy Fiscal Outlook for Education

 [BY MATT PHILLIPS, CPA](#) [BY PATTI F. HERRERA, EDD](#)

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posted November 19, 2020

Yesterday, November 18, 2020, the Legislative Analyst's Office (LAO) issued its annual, and highly anticipated, [Fiscal Outlook on the 2021–22 Budget for California](#), and the related impact on Proposition 98. Importantly, this is the last preview education budget hawks will have before Governor Gavin Newsom releases his 2021–22 January State Budget Proposal, which he is constitutionally required to do by January 10, 2021.

At the state level, the LAO highlights that the state's economy has undergone a rapid, but uneven recovery. The LAO notes that, although economic consequences of the COVID-19 health crisis were severe, the fiscal fallout was not as catastrophic as many projected in early 2020. Year-to-date tax collections from the “Big Three”—personal income, sales and use, and corporation taxes—are trending 22% ahead of the lowered projections used for the 2020–21 Enacted State Budget. Additionally, new applications for safety net programs, such as Medi-Cal and CalFresh, which typically see increased participation during depressed economic times, are below 2019–20 levels.

The LAO cautions that, although revenues have whipsawed for the better from 2020–21 Enacted Budget levels, the state's revenue growth over the subsequent three years is projected to grow at an average annual rate of less than 1%, while expenditures under current law and policy are projected to grow at an average annual rate of 4.4%. This disparity produces an anticipated operating deficit that will grow to nearly \$17 billion by 2024–25.

#### **Impacts on Proposition 98**

The dramatic recovery in “Big Three” taxes above the 2020–21 Enacted Budget levels results in a rosy picture for funding provided under Proposition 98. Because Test 1 is expected to be operative for the foreseeable future—and has been operative for the last couple of years—approximately 38% of General Fund revenues are earmarked for schools and community colleges under Proposition 98. This means that, as the General Fund revenues grow, so too does the Proposition 98 minimum guarantee. Moreover, property tax revenues in a Test 1 environment augment, rather than offset, General Fund revenues, thereby creating a net benefit for K–14 education when property values increase. The LAO estimates, based on its projections, that the 2019–20 and 2020–21 minimum guarantees could grow by \$1.6 billion and \$13.1 billion, respectively, when compared with the 2020–21 Enacted State Budget. Growth at this rate would result in a 2020–21 minimum guarantee that eclipses the historic all-time high in education funding.

	2019-20			2020-21		
	June Budget Plan	November LAO Estimates	Change	June Budget Plan	November LAO Estimates	Change
<b>Minimum Guarantee</b>	\$77,678	\$79,283	\$1,606	\$70,890	\$83,975	\$13,085
<b>Funding Allocations</b>						
Local Control Funding Formula (LCFF)	\$62,707 <sup>a</sup>	\$62,676	-\$31	\$63,037	\$62,565	-\$473
Other K-14 programs	17,151 <sup>a</sup>	17,154	3	18,167	18,164	-3
Savings from payment deferrals	-2,181	-2,181	—	-10,314	-10,314	—
Proposition 98 Reserve deposit	—	—	—	—	1,529	1,529
<b>Totals</b>	<b>\$77,678</b>	<b>\$77,649</b>	<b>-\$28</b>	<b>\$70,890</b>	<b>\$71,943</b>	<b>\$1,053</b>
<b>Settle-Up Payments</b>	<b>—</b>	<b>\$1,634</b>	<b>\$1,634</b>	<b>—</b>	<b>\$12,031</b>	<b>\$12,031</b>

<sup>a</sup>Amounts adjusted for Chapter 110 (SB 820, Committee on Budget and Fiscal Review), an August trailer bill that reduced LCFF cost estimates and allocated the savings for additional school meal reimbursements.

Source: LAO 2021–22 Budget: The Fiscal Outlook for Schools and Community Colleges

Given the good fiscal environment, the LAO offers policymakers two key considerations for how to spend this windfall and what obligations exist on the horizon. The first consideration is that, under these revenue scenarios, the Legislature could pay down all the budget deferrals and cover the cost of an estimated cost-of-living-adjustment (COLA) in 2021–22, which is estimated to be 1.14%. This would leave the Legislature with \$4.2 billion for new commitments. Secondly, the LAO notes that pension costs are projected grow quite significantly in 2022–23. The California State Teachers’ Retirement System and the California Public Employees’ Retirement System employer rates are projected to grow more than 2%, and nearly 4%, respectively. The related cost increases range from \$1.3 billion to \$1.7 billion, which would likely exceed the COLA.

As is typical, the LAO recommends that the Legislature adopt a conservative budget approach by appropriating some of the new money for one-time activities. Those one-time allocations could address a range of issues, including mitigating the learning loss experienced by students since the closure of schools in March 2020. However, the LAO advises the Legislature to learn more about how schools and community colleges spent the previous allotment of federal funding before using funds for this purpose.

The LAO also addresses the K-12 school district reserve cap, which according to the forecast, may be triggered going into the 2022–23 year. Assuming that the state continues to collect revenues at the pace forecasted by the LAO, the consequence is that deposits will be made into the Proposition 98 reserves. The total amount of deposits are projected to exceed the threshold—3% of total Proposition 98 spending in 2021–22—which triggers the cap on K-12 school district reserves. This historic event would cause many school districts to limit their unassigned plus assigned General Fund reserves to no more than 10% of their annual expenditures.

**SSC Editorial**

The unexpected, but welcomed, year-to-date General Fund revenue collections have been a bright spot in an otherwise dismal year that has been dominated by the pandemic. As reported in the November 2020 Finance Bulletin, year-to-date General Fund revenues have outpaced projections by more than \$11.3 billion, but it is important to put that number in perspective. For the LAO’s

scenarios to come to fruition, the 2020–21 General Fund revenues must exceed projections by \$33.5 billion, which means the final seven months of the fiscal year must continue outpacing projections by a total of \$22.2 billion. While that hill is not insurmountable, there are significant challenges and unknowns on the horizon.

Aside from the global and national challenges of which we are acutely aware, there is also uncertainty around the revenue projections that will ultimately be used by Governor Newsom in the 2021 January State Budget Proposal. In a press conference on November 16th, 2020, the Governor acknowledged that General Fund revenues were more than \$11 billion ahead of the 2020–21 Enacted Budget projections, but the question remains: Will he embrace the totality of revenue estimates on par with what was used in the *Fiscal Outlook*?

As schools and community colleges update their budgets and multiyear projections, we continue to advise that multiple revenue and cash deferral scenarios are absolutely necessary to ensure prudent fiscal planning. And for those hoping the dust will settle in January, hang on, this rodeo is just beginning.

[Click Here for COVID-19 Related Resources](#)

# COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: DECEMBER 1, 2020

## New Contract Bid Threshold Effective 2021



[BY CHARLENE QUILAO](#)

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posted December 22, 2020

As required by Public Contract Code (PCC) Section 20651, the Board of Governors of the California Community Colleges is required to make annual adjustments to the bid threshold to reflect the percentage change in the annual average value of the implicit price deflator for government goods and services.

While the bid threshold for 2021 has not yet been announced by the Chancellor's Office, the California Department of Education did announce that the bid threshold for K–12 educational agencies will increase by 1.57% to \$96,700, effective January 1, 2021. We anticipate that the Chancellor's Office will issue a memorandum with this information soon.

This higher bid threshold only applies to:

- the purchase of equipment, materials, and supplies to be furnished, sold, or leased to a district;
- services, except construction services; and
- repairs, including maintenance, that are not public projects.

The \$15,000 threshold for construction contracts under the PCC remains unchanged.

[Click Here for COVID-19 Related Resources](#)

## COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: NOVEMBER 1, 2020

### State Revenues Strong despite Headwinds

 [BY PATTI F. HERRERA, EDD](#) [BY JOHN GRAY](#)

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posted November 18, 2020

In its November 2020 [Finance Bulletin](#), the Department of Finance (DOF) reports that even against the headwinds brought about by the global health pandemic, state revenues continue to outperform earlier projections while the California economy remains stable.

Job gains in the U.S. continue to pick up after unemployment skyrocketed earlier this spring. In October 2020, national unemployment was 6.9% compared to its peak of 14.7% in April. The improved employment picture has been accompanied by a better picture of the overall economy. The U.S. economy experienced a significant rebound in the third quarter of this year with gross domestic product (GDP)—while still below pre-pandemic levels—increased by over 33% on an annualized basis. California’s share of the national GDP measures at just under 15%. The housing market continues to be a bright spot in the economy with single family housing activity leading the sector.

As for revenues, the DOF reports that, year-to-date, the state has accrued \$11.3 billion more in revenue than what was assumed in the 2020 Budget Act. Each of the “big three” taxes are outperforming expectations with personal income tax (PIT) receipts generating nearly \$8.8 billion more than expected. October 2020 revenues were \$2 billion more than monthly projections. PIT receipts alone generate two-thirds of state General Fund revenues. Sales tax and corporation tax revenues also beat monthly expectations by \$423 million and \$245 million, respectively, and continue to outpace budget estimates on a year-to-date basis by \$2.06 billion and \$574 million, respectively.

This is certainly welcomed news for State Budget and Proposition 98 hawks. Since education funding is likely to be determined by Test 1 in 2021–22 and the near future, Proposition 98 receives just over 38% of every new state dollar. With state revenues \$11.3 billion above what was used to size the 2020–21 State Budget and the Proposition 98 minimum guarantee, the current-year guarantee stands to increase by about \$4.3 billion compared to the Enacted Budget level of \$70.9 billion. While this is certainly good news, we caution that the state continues to operate an education budget deficit as spending authority is higher than the minimum guarantee, so the better-than-expected revenues simply narrow the deficit’s margin going into the budget year.

The Legislative Analyst’s Office released its annual [Fiscal Outlook](#) that includes an in-depth forecast of Proposition 98. The report provides better context for the raw state revenues included in the DOF’s bulletin.

[Click Here for COVID-19 Related Resources](#)

# COMMUNITY COLLEGE UPDATE

PUBLICATION DATE: JANUARY 1, 2021

## LAO Makes Recommendations on Deferrals



[BY SHEILA G. VICKERS](#)

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posted January 4, 2021

The Legislative Analyst's Office (LAO) recently prepared a report for the Legislature on the community college apportionment deferrals. The report reviews the history of cash deferrals, which were used during the dot-com bust and the Great Recession, as well as the schedule of cash deferrals effective this year. The current community college deferrals total \$1.5 billion, which exceeds the amount of state aid apportionments normally issued during the months of February through June. Therefore, \$400 million in Student Equity and Achievement Program funds are also being deferred, but the Chancellor's Office has accelerated payments for other categorical programs to the earlier months of this year to reduce the impact on local districts' cash.

The LAO's report addresses the different cash flow patterns experienced by community colleges depending on the mix of local property taxes and state aid provided through the Student Centered Funding Formula, which means that those districts that receive more in state aid would be impacted more significantly by the deferrals. The Chancellor's Office has taken steps to ameliorate this disproportionate impact by limiting all districts to 83% of their total apportionment from state and local sources combined, and then all districts would receive the rest of their cash in the next fiscal year based on the deferral schedule. The report also reviews the options available to community colleges for temporary cash borrowing and indicates that about one-third of the districts are participating in Tax and Revenue Anticipation Note pools this year.

The report concludes by acknowledging that state revenues thus far are coming in significantly higher than estimated in the 2020–21 State Budget Act, which means that the Proposition 98 minimum guarantee is also increasing significantly. Given that, the Legislature could not only

consider eliminating the cash deferrals through the 2021–22 State Budget process, but could choose to take early action to eliminate the deferrals in the current year. If so, the LAO recommends eliminating only the February, March, and April cash deferrals and then, based on revenue collections through April, addressing the May and June deferrals if there are resources available to do so. In the end, the LAO opines that paying down the K–12 and community college deferrals should be a high priority for a number of reasons, most notably to give policy makers a tool to address future economic downturns. To read the report in its entirety, go [here](#).

It should be noted that, right after the LAO issued this report, Governor Gavin Newsom announced a proposal to use one-time funds to provide grants to K–12 schools that are able to bring students in elementary grade levels and other targeted groups back to their campuses for in-person instruction by specific dates this spring. This would require swift action of the Legislature in order to appropriate these funds in time during the current year. How this proposal impacts the Governor’s blueprint for the State Budget and the potential elimination of cash deferrals will come to light as he formally releases his 2021–22 proposal, anticipated for this Friday, January 8, 2021.



**TO:** Chancellor Eloy Ortiz Oakley  
Chief Executive Officers  
Chief Business Officers  
Chief Student Services Officers  
Chief Instructional Officers

**FROM:** Lizette Navarette, Vice Chancellor, College Finance and Facilities Planning

**RE:** Preliminary Analysis of the COVID-19 Federal Stimulus Package

### Summary

The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (COVID-19 relief bill) (H.R. 133) is the fourth federal stimulus packet in response to the Coronavirus. The stimulus will allocate \$22.7 billion to the Higher Education Emergency Relief Fund of which California Community Colleges are estimated to receive over \$1 billion in one-time resources.

### Bill Details

On December 28, 2020, the president signed the \$900 billion COVID-19 relief bill. The new Coronavirus stimulus deal earmarks \$82 billion for education providers. While the funds will be allocated similarly to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the COVID-19 relief bill applies a new allocation formula which considers FTES and headcount – an adjustment highly supported by California Community Colleges. For higher education, the \$82 billion includes the following:

- \$22.7 billion for the **Higher Education Emergency Relief Fund**
  - \$20.2 billion distributed by a formula comprised of the following:
    - 37.5% for Pell FTE, excluding students who were enrolled exclusively online prior to the pandemic
    - 11.5% for non-Pell FTE, excluding students who were enrolled exclusively online prior to the pandemic
    - 37.5% for Pell “total number of students” which is like headcount, excluding students who were enrolled exclusively online prior to the pandemic
    - 11.5% for non-Pell headcount, excluding students who were enrolled exclusively online prior to the pandemic
    - 1% for Pell FTE who were enrolled exclusively online prior to the pandemic
    - 1% for Pell headcount who were enrolled exclusively online prior to the pandemic
  - \$1.7 billion for Historically Black Colleges and Universities, Tribal Colleges and Universities, Hispanic Serving Institutions, and certain other institutions
  - \$113 million for institutions of higher education with unmet need
  - \$4.1 billion for the Governor’s Emergency Education Relief Fund

## Analysis of the COVID-19 Relief Bill

December 29, 2020

The relief bill also includes an extension of the CARES Act Coronavirus Relief Fund (CRF) expenditure deadline from December 30, 2020 to December 31, 2021. This extension should alleviate any concerns by community college districts who were not poised to encumber by December 30<sup>th</sup> the \$54 million in CRF funds allocated as part of the state COVID-19 Response Block Grant in the 2020–21 State Budget Act.

### Allowable Uses

The Higher Education Emergency Relief Fund which includes flexible funding to be distributed directly to institutions of higher education to help with immediate needs related to coronavirus, including:

1. Defraying expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll);
2. Carrying out student support activities authorized by the HEA that address needs related to coronavirus; or
3. Providing financial aid grants to students (including students exclusively enrolled in distance education), which may be used for any component of the student's cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care), or child care.

*Like the CARES Act, the provisions of this stimulus bill do not appear to restrict colleges' ability to provide aid to students based on their immigration status.*

### Emergency Financial Aid to Students

The COVID-19 relief bill requires higher education institutions to **spend at least the same amount they spent on emergency financial aid under the CARES Act**. California Community Colleges are expected to spend at least an estimated \$300 million on emergency financial aid to students. Given the extent of student need, more than the required expenditure is recommended and encouraged.

The stimulus provides institutions with significant discretion on how to award emergency assistance to students. Each institution may develop its own system and process for determining how to allocate these funds. In making financial aid grants to students, an institution of higher education shall prioritize grants to students with exceptional need. Details on the college specific allocations will follow in the coming weeks.

### Estimated Statewide Allocation

As with the CARES Act, it is necessary to make a number of assumptions in the calculations. The California Community Colleges are *estimated* to receive about 6.3% of the total \$20.2 billion or about \$1.26 billion of the total \$20.2 billion Higher Education Emergency Relief Fund. This analysis does not include additional allocations for minority serving institutions or those with the most need. Unlike the CARES Act, students who were previously enrolled online only will be counted for funding under this act.

**Analysis of the COVID-19 Relief Bill**

December 29, 2020

<b>ESTIMATED Funding Allocations based on \$20.2 billion (dollars in millions)*</b>			
	<b>Total Stimulus</b>		
	<b>Pell based</b>	<b>Non Pell based</b>	<b>Total</b>
<b>Total Degree-Granting Institutions</b>	<b>\$15,554</b>	<b>\$4,646</b>	<b>\$20,200</b>
<b>California Community Colleges</b>	<b>\$853</b>	<b>\$412</b>	<b>\$1,26</b>
<i>*Both FTE and student counts exclude students who were enrolled exclusively online except where noted. Counts are for 2017-18.</i>			
<i>All funds are one-time only.</i>			

The Chancellor's Office will continue its federal advocacy and Congressional engagement as Congress considers future Coronavirus response appropriations.

If you have any questions, please don't hesitate to contact me at [lnavarette@cccoco.edu](mailto:lnavarette@cccoco.edu).

There are two items for review:

1. How are colleges held harmless?
2. What happens if the district grows out of hold harmless due to one colleges growth?

The Student Centered Funding Formula states a district's 17/18 TCR plus COLA's minus any deficit factor, prior year adjustments, etc. will be held harmless through the 23/24 fiscal year.

While the district is in hold harmless, the current RSCCD procedure states colleges will also be in hold harmless. Current law does not provide additional funding at the college level if one college emerges from hold harmless prior to the district emerging from hold harmless

If one college grows substantially compared to the other college and the district is no longer in hold harmless, both colleges will be funded based on the production metrics of the SCFF. (see "Out of HH Examples)

Unless the college that is growing is willing to share their revenues with the other college

**Version 1 - SB361 (Maintain production/revenue percentages while in HH)**

Establishes a split of revenues for SAC and SCC based on fiscal year 17/18  
2020/2021 is projected

Year	District TCR	%	SAC	%	SCC
17/18	\$ 164,650,772	68.65%	\$ 113,033,135	31.35%	\$ 51,617,637

Year	District TCR	%	SAC	%	SCC
18/19	\$ 169,318,347	68.65%	\$ 116,237,436	31.35%	\$ 53,080,911
19/20	\$ 171,965,013	68.65%	\$ 118,054,379	31.35%	\$ 53,910,634
20/21	\$ 171,341,363	68.65%	\$ 117,626,241	31.35%	\$ 53,715,122

**Version 2 - SCFF (Adjust revenues annually based on current production/revenue and split the HH revenues according to the same split)**

Actual TCR Split for Closeout  
Includes Prior Year adjustments to Apportionment/EPA/Deficit

Year	District TCR	%	SAC	%	SCC
17/18	\$ 164,650,772	68.65%	\$ 113,033,135	31.35%	\$ 51,617,637

Year	District TCR	%	SAC	%	SCC
18/19	\$ 169,318,347	68.47%	\$ 115,926,901	31.53%	\$ 53,391,446
19/20	\$ 171,965,013	69.02%	\$ 118,687,714	30.98%	\$ 53,277,299
20/21	\$ 171,341,363	69.02%	\$ 118,257,280	30.98%	\$ 53,084,083

**Change in \$ by site compared to  
Version**

Year	SAC	SCC
18/19	(310,535)	310,535
19/20	633,335	(633,335)
20/21	631,039	(631,039)

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	121,700,415	53,141,602	<b>174,842,017</b>
<b>SAC=+12.85%/SCC=0%</b> for all FTES			
Hold Harmless	-	-	-
	<b>121,700,415</b>	<b>53,141,602</b>	<b>174,842,017</b>
<b>split %</b>	<b>69.61%</b>	<b>30.39%</b>	
<b>shift in \$ from FY 2019-20 @ Recal</b>	<b>1,675,205</b>	<b>(1,671,313)</b>	

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	116,365,496	58,473,538	<b>174,839,034</b>
<b>SAC=0%/SCC=+27.53%</b> for all FTES			
Hold Harmless	-	-	-
	<b>116,365,496</b>	<b>58,473,538</b>	<b>174,839,034</b>
<b>split %</b>	<b>66.56%</b>	<b>33.44%</b>	
<b>shift in \$ from FY 2019-20 @ Recal</b>	<b>(3,659,714)</b>	<b>3,660,623</b>	

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	121,700,415	53,141,602	<b>174,842,017</b>
<b>SAC=+12.85%/SCC=0%</b> for all FTES			
<b>shift in \$ from FY 2019-20 @ Recal</b>	(1,671,313)	1,671,313	-
	<b>120,029,102</b>	<b>54,812,915</b>	<b>174,842,017</b>
<b>split %</b>	<b>68.65%</b>	<b>31.35%</b>	
<b>Additional Amount earned beyond District HH</b>	<b>3,892</b>		

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	116,365,496	58,473,538	<b>174,839,034</b>
<b>SAC=0%/SCC=+27.53%</b> for all FTES			
<b>shift in \$ from FY 2019-20 @ Recal</b>	3,659,714	(3,659,714)	-
	<b>120,025,210</b>	<b>54,813,824</b>	<b>174,839,034</b>
<b>split %</b>	<b>68.65%</b>	<b>31.35%</b>	
<b>Additional Amount earned beyond District HH</b>		<b>909</b>	

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	121,700,415	53,141,602	<b>174,842,017</b>
<b>SAC=+12.85%/SCC=0%</b> for all FTES			
Hold Harmless		1,671,313	<b>1,671,313</b>
	<b>121,700,415</b>	<b>54,812,915</b>	<b>176,513,330</b>
<b>split %</b>	<b>68.95%</b>	<b>31.05%</b>	

<b>OUT OF HOLD HARMLESS</b>	<b>2020/21</b>		
<b>SCENARIOS</b>	<b>SAC</b>	<b>SCC</b>	<b>TOTAL</b>
FTES produced in FY 2020-21	116,365,496	58,473,538	<b>174,839,034</b>
<b>SAC=0%/SCC=+27.53%</b> for all FTES			
Hold Harmless	3,659,714		<b>3,659,714</b>
	<b>120,025,210</b>	<b>58,473,538</b>	<b>178,498,748</b>
<b>split %</b>	<b>67.24%</b>	<b>32.76%</b>	

## **Fiscal Resources Committee**

### **2019-2020 Accomplishments**

1. Reviewed and evaluated the Budget Allocation Model (BAM)
2. Developed assumptions for the Tentative and Adopted Budgets
3. Developed District Budget Calendar

## **Fiscal Resources Committee**

### **2020-2021 Goals**

1. Review, evaluate and update the Budget Allocation Model (BAM) based on the Student Centered Funding formula (SCFF).
2. Review and update the Planning Design Manual for the Resource Allocation section.
3. Develop assumptions for the Tentative and Adopted Budgets
4. Develop District Budget Calendar

The Fiscal Resources Committee provides district-level fiscal review including annual evaluation of the District's Budget Allocation Model, as well as, develops and recommends tentative and adopted budget assumptions to District Council.

Committee	Responsibilities	Membership
Fiscal Resources	<p>Review and evaluate the RSCCD Budget Allocation Model</p> <p>Monitor state budget development and recommend mid-year adjustments</p> <p>Develop assumptions for tentative and adopted budgets</p> <p>Develop District budget process calendar</p> <p>Assess effective use of financial resources</p> <p>Review and evaluate financial management processes</p>	<ul style="list-style-type: none"> <li>▶ Vice Chancellor, Business Operations &amp; Fiscal Services (Co-Chair)</li> <li>▶ Assistant Vice Chancellor, Fiscal Services</li> <li>▶ Administrator appointed by Santa Ana College President</li> <li>▶ Administrator appointed by Santiago Canyon College President</li> <li>▶ Two faculty members appointed by each Academic Senate, Santa Ana College &amp; Santiago Canyon College</li> <li>▶ A faculty member appointed by FARSCCD</li> <li>▶ Three Classified representatives appointed by CSEA (District Office, Santa Ana College &amp; Santiago Canyon College)</li> <li>▶ One of the faculty representatives shall serve as committee co-chair for two years (alternating each college)</li> <li>▶ Student representatives (Santa Ana College &amp; Santiago Canyon College, when possible)</li> </ul>



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

	FY 2019-2020					FY 2020-2021				
	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail	Adopted Budget	YTD Budget	YTD Actual	Available	% Avail
Aca Salaries (excl. 1300's)	31,569,905	31,653,076	15,374,435	16,278,641	51.43%	31,976,239	31,475,842	15,894,963	15,580,879	49.50%
1300's	17,318,684	17,252,528	10,114,716	7,137,812	41.37%	19,294,007	19,576,664	9,014,872	10,561,792	53.95%
2 Classified Salaries	13,669,291	13,746,956	6,525,585	7,221,371	52.53%	14,622,849	13,897,088	6,532,862	7,364,226	52.99%
3 Employee Benefits	25,228,577	25,223,982	11,900,724	13,323,258	52.82%	24,627,366	24,026,678	11,185,857	12,840,821	53.44%
4 Supplies & Materials	679,622	701,761	220,506	481,255	68.58%	768,199	812,919	103,500	709,419	87.27%
5 Other Operating Exp	10,716,690	8,422,689	1,567,149	6,855,540	81.39%	7,936,339	7,515,060	1,479,534	6,035,526	80.31%
6 Capital Outlay	736,289	909,480	89,710	819,770	90.14%	444,376	520,072	52,295	467,777	89.94%
7 Other Outgo	3,219,134	5,265,253	497,473	4,767,780	90.55%	1,614,683	1,614,683	(335)	1,615,018	100.02%
<b>Santa Ana College</b>	<b>103,138,192</b>	<b>103,175,725</b>	<b>46,290,299</b>	<b>56,885,426</b>	<b>55.13%</b>	<b>101,284,058</b>	<b>99,439,006</b>	<b>44,263,549</b>	<b>55,175,457</b>	<b>55.49%</b>
Aca Salaries (excl. 1300's)	15,960,576	15,960,576	8,094,200	7,866,376	49.29%	16,365,288	15,920,663	8,018,809	7,901,854	49.63%
1300's	6,657,726	6,657,726	4,230,438	2,427,288	36.46%	7,680,482	7,789,607	4,176,492	3,613,115	46.38%
2 Classified Salaries	7,281,477	7,346,229	3,571,149	3,775,080	51.39%	7,814,305	7,278,272	3,732,278	3,545,994	48.72%
3 Employee Benefits	12,449,882	12,470,952	6,062,936	6,408,016	51.38%	12,344,207	11,846,842	5,753,800	6,093,042	51.43%
4 Supplies & Materials	368,519	441,327	95,394	345,933	78.38%	223,718	224,518	48,152	176,366	78.55%
5 Other Operating Exp	5,543,767	5,359,860	925,515	4,434,345	82.73%	4,874,141	4,874,641	653,032	4,221,609	86.60%
6 Capital Outlay	108,091	133,145	1,957	131,188	98.53%	27,143	25,843	591	25,252	97.71%
7 Other Outgo	1,516,283	1,516,603	(262)	1,516,865	100.02%	-	-	-	-	0.00%
<b>Santiago Canyon College</b>	<b>49,886,321</b>	<b>49,886,418</b>	<b>22,981,327</b>	<b>26,905,091</b>	<b>53.93%</b>	<b>49,329,284</b>	<b>47,960,386</b>	<b>22,383,155</b>	<b>25,577,231</b>	<b>53.33%</b>
1 Academic Salaries	741,920	741,920	368,639	373,281	50.31%	1,152,985	947,780	546,352	401,428	42.35%
2 Classified Salaries	14,499,227	14,282,491	6,751,104	7,531,387	52.73%	15,416,517	14,662,377	7,107,835	7,554,542	51.52%
3 Employee Benefits	8,467,661	8,429,235	3,787,593	4,641,642	55.07%	8,710,447	8,243,003	3,857,999	4,385,004	53.20%
4 Supplies & Materials	541,204	398,771	97,405	301,366	75.57%	883,702	896,158	70,569	825,589	92.13%
5 Other Operating Exp	7,638,562	8,219,677	3,953,822	4,265,855	51.90%	8,443,779	8,672,172	4,454,611	4,217,561	48.63%
6 Capital Outlay	917,327	727,177	523,594	203,583	28.00%	587,010	340,361	155,621	184,740	54.28%
7 Other Outgo	784,361	784,361	(590)	784,951	100.08%	-	-	-	-	0.00%
<b>District Services</b>	<b>33,590,262</b>	<b>33,583,632</b>	<b>15,481,567</b>	<b>18,102,065</b>	<b>53.90%</b>	<b>35,194,440</b>	<b>33,761,851</b>	<b>16,192,987</b>	<b>17,568,864</b>	<b>52.04%</b>
<b>TOTAL FUND 11 and FUND 13</b>	<b>186,614,775</b>	<b>186,645,775</b>	<b>84,753,192</b>	<b>101,892,583</b>	<b>54.59%</b>	<b>185,807,782</b>	<b>181,161,243</b>	<b>82,839,691</b>	<b>98,321,552</b>	<b>54.27%</b>

Vacant Funded Positions for FY2020-21- Projected Annual Salary and Benefits Savings  
As of January 7, 2021

Fund	Management/ Academic/ Confidential	Position ID	Title	Reasons	Site	Effective Date	Notes	2020-21 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
	11 Birk, John	5HR-UF-DIR	Director, Information System	Retirement	District	7/11/2019	Richard Sturuss Interim Assignment 7/1/20-12/31/20. Board docket 8/10/20	125,868	223,019
50%-fd 11	11 Iannaccone, Judith	5PAG-UF-DIR	Director, Public Affairs & Publications	Retirement	District	8/31/2018	Currently interim assignment 12/1/20-2/28/20, currently under review. Ruth Cossio Muniz Interim Assignment to include Public Affairs	-	
50%-fd 12	Santoyo, Sarah	5RDEV-UF-DIRX	Executive Director Resource Development	Promotion	District	1/28/2019		97,150	
	11 Dominguez, Gary M.	1FIAC-AF-DIR	Director, Fire Instruction	Retirement	SAC	8/23/2019	Fred Ramsey Interim Assignment 8/19/20-6/30/21. Michael Busch resignation 8/18/20. Board docket 9/14/20. Michael Busch Interim Assignment 7/1/20-06/30/21 Board docket 6/15/20	-	382,957
	11 Galvan, Javier A.	1SPAN-FF-IN	Instructor, Spanish	Interim Assignment	SAC	7/1/2020	Currently interim assignment 7/1/20-6/30/21 as Dean Humanities & Social Sciences replacing Shelly Jaffray vacancy. Board docket 5/26/20	161,943	
	11 Jaffray, Shelly C.	1HSS-AF-DN	Dean, Humanities & Social Sciences	Retirement	SAC	6/30/2019	Javier Galvan Interim Assignment 7/1/20-6/30/21. Board docket 5/26/20 AC20-0807 ON HOLD.	(5,891)	
	11 Keith, Katharine C.	1EMLS-FF-IN2	Instructor, ESL Writing	Retirement	SAC	6/4/2021		-	
	11 Mahany, Donald	1FIAC-AF-DNAC1	Associate Dean, Fire Technology	Retirement	SAC	1/2/2020	Joseph Dulla Interim Assignment 8/31/20-6/30/21. Board Docket 9/14/20. AC19-0790	45,231	
	11 Miller, Rebecca	1SMHS-AF-DNAC	Associate Dean, Health Science/Nursing	Retirement	SAC	6/30/2020	Mary Steckler Interim Assignment 7/1/20-6/30/21. Board docket 6/15/20. AC19-0794	(1,733)	
	11 Rose, Linda	1PRES-AF-PRES	President, SAC	Retirement	SAC	6/30/2020	Marilyn Flores Interim Assignment 7/1/20-6/30/21 Board docket 5/26/20	(24,116)	
	11 Sotelo, Sergio R.	10AD-AF-DN3	Dean, Instr & Std Svcs	Retirement	CEC	6/30/2020	Lorena Chavez Interim Assignment 7/1/20-6/30/21 Board docket 6/15/20	51,426	
	11 Stowers, Deon	1CUST-UF-SUPR	Custodial Supervisor	Probational Dismissal	SAC	8/13/2020	Tuon, Sophanareth Interim Assignment 9/28/20-11/6/20	-	
	11 Wall, Brenda L.	1PAG-UF-OFRCR	Public Information Officer	Resignation	SAC	5/18/2020	CL20-0039	156,098	
	11 Arteaga, Elizabeth	2CAR-AF-DNAC	Associate Dean, Business and Career Technical Education	Promotion	SCC	2/24/2020		208,589	781,227
	11 Bailey, Denise E.	2CHEM-FF-IN	Instructor, Chemistry	Interim Assignment	SCC	7/1/2020	Stacey Hamamura Temp hire 8/17/20-6/5/21. Board Docket 8/10/20. D. Bailey currently interim assignment 7/1/20-6/30/21 as Dean Mathematics & Sciences replacing Martin Stringer vacancy. Board docket 7/13/20	-	
	11 Coto, Jennifer	2ESS-AF-DN	Dean, Enrollment & Support Services	Change of Assignment	SCC	10/13/2020	Loretta Jordan Interim Assignment 11/20/20-6/30/21	188,615	
	11 Flores, Marilyn	2ACA-AF-VP	VP, Academic Affairs-SCC	Interim Assignment	SCC	7/1/2020	Martin Stringer Interim Assignment 7/1/20-6/30/21 Board docket 6/15/20	(8,830)	
	11 Hernandez, John C.	2PRES-AF-PRES	President, SCC	Resignation	SCC	7/31/2020	Jose Vargas Interim Assignment as SCC President 7/1/20-6/30/21 Board Docket 7/13/20	32,723	
	11 Stringer, Martin R.	2MS-AF-DN	Dean, Math & Sci Div	Interim Assignment	SCC	7/1/2020	Denise Bailey Interim Assignment 7/1/20-6/30/21 Board docket 7/13/20	38,684	
	11 Vakil, David	2HSS-AF-DN	Dean, Arts, Humanities and Social Sciences	Resignation	SCC	6/30/2020	Jonanne Armstrong Interim Assignment 7/1/20-6/30/21. Board docket 5/26/20. AC20-808 ON HOLD	42,987	
	11 Vargas Navarro, Jose F.	20AD-AF-VP	VP, Continuing Ed	Interim Assignment	OEC	7/1/2020	Effective 7/14/20, Jim Kennedy VP of both CEC&OEC. Board docket 7/13/20. J. Vargas currently interim assignment 7/1/20-6/30/21 as President SCC replacing John Hernandez vacancy. Board docket 7/13/20	278,458	
								1,387,203	
Fund	Classified	Position ID	Title	Reasons	Site	Effective Date	Notes	2020-21 Estimated Annual Budgeted Sal/Ben	
	11 Andrade Cortes, Jorge L.	5SACT-CF-ANYS	Senior Accounting Analyst	Resignation	District	9/27/2019		137,434	892,059
	11 Ayala, Jose A.	5YSP-CM-DS06	P/T District Safety Officer	Resignation	District	8/30/2020		17,861	
	11 Francis, DiemChau T.	5PAY-CF-SPPA1	Payroll Specialist	Resignation	District	5/29/2020		98,479	
	11 Intermediate Clerk	REORG#1193	Intermediate Clerk	REORG#1193	District	7/4/2019	Intermediate Clerk REORG#1193	79,140	
	11 Medrano, Miranda M.	5GCOM-CF-GRPH2	Graphic Designer	Termination	District	3/24/2020		114,326	
	11 Nguyen, James V.	5DMC-CF-CUSR	Senior Custodian/Utility Worker	Probational Dismissal	District	8/6/2019		72,842	
	11 Pita, Lazaro R.	5YSP-CM-DS05	P/T District Safety Officer	Resignation	District	11/23/2019		24,674	
	11 Senior District Safety Officer	REORG#1200	Senior District Safety Officer	Retirement	District	4/25/2020	REORG#1200 (Miranda, Francisco) CL20-00025	115,798	
	11 Senior District Safety Officer	REORG#1202	Senior District Safety Officer	Resignation	District	5/1/2020	REORG#1202 (Knorr, David) CL20-00025	107,635	
	11 Yamoto, Sec. Stephanie	5FACL-CF-SPPP	Facility Planning Specialist	Resignation	District	8/26/2019	CL19-1334 on hold	123,870	
	11 Benavides, Ricardo	1CUST-CF-CUS4	Custodian	Retirement	SAC	1/15/2020		81,464	
	11 Cordova, Monica M.	1KNIA-CF-TT2	Athletic Trainer/ Therapist	Resignation	SAC	1/17/2020	CL20-00045	112,500	
	11 Crawford, Jonathan	1GRDS-CM-WKR2	P/T Gardener/Utility Worker	Resignation	SAC	6/25/2019	Reorg#1205 Submitted for F/T Gardener/Utility Worker currently under review	28,117	
	11 Diaz, Claudia R.	10AD-CF-CLAD4	Administrative Clerk	Promotion	CEC	4/5/2020		115,148	
25%-fd 11	Fernandez Gonzalez, Irma	1EOPS-CF-ASCN1	Counseling Assistant	Medical Layoff	SAC	2/14/2020		23,490	
75%-fd 12	11 Flores, Rodrigo	1CUST-CF-CUS9	Custodian	Promotion	SAC	1/4/2020		49,443	
35%-fd 11	11 Hayes, Charles F.	1CUST-CF-CUS11	Custodian	Retirement	SAC	6/1/2020	CL20-00021	82,074	
65%-fd 31	11 Miranda Zamora, Cristina	1AUX-CF-SPAS3	Auxiliary Services Specialist	Promotion	SAC	11/19/2019		32,213	
	11 Molina Valdez, Jorge A.	1CUST-CF-CUS1	Custodian	Promotion	SAC	1/4/2021		58,637	
	11 Munoz, Edward J.	1ADMS-CM-ACT	Accountant	Termination	SAC	7/14/2020		31,637	
	11 Shirley, Jacqueline K.	1CNLSL-CF-CLIN	Intermediate Clerk	Retirement	SAC	2/27/2020	Fund short term turns from August 17 thru December 31st for Natalie Rodriguez 11-2410-631000-15310-2320 BCF#B9PG2H8TZ CL20-1396	69,579	
40%-fd 11	Student Services Specialist	REORG#1190	Student Services Specialist	Retirement	SAC	12/29/2019	Reorg#1190 (Nguyen, Cang)	33,459	906,259
60%-fd 12	11 Talamantes, Edgar	1GRDS-CF-WKR3	Gardener/Utility Worker	Promotion	SAC	12/14/2020		47,554	
	11 Tapia, Manuel J.	1MAIN-CF-WKR7	Skilled Maintenance Worker	Resignation	SAC	2/7/2020	CL20-00024	95,144	
	11 Taylor, Katherine A.	1ADM-CM-SPC1D	P/T Admissions/Records Specialist I	Retirement	SAC	10/1/2020		20,710	
	11 Velazquez, Kimberly S.	1CNLSL-CM-ASCN6	Counseling Assistant	Promotion	SAC	7/6/2020		25,089	
	Bennett, Lauren A.	2ADM-CF-SPC1A	Admission Records Specialist I	Resignation	SCC	10/23/2020		46,033	
14%-fd 11	86%-fd 12	Berganza, Leyli C	20SS-CF-SPOR1	High School & Community Outreach Specialist	Promotion	OEC	3/19/2017	14,730	

**Vacant Funded Positions for FY2020-21- Projected Annual Salary and Benefits Savings  
As of January 7, 2021**

Fund	Management/ Academic/ Confidential	Position ID	Title	Reasons	Site	Effective Date	Notes	2020-21 Estimated Annual Budgeted Sal/Ben	Total Unr. General Fund by Site
11	Flores, Jazmine N	2ADM-CF-SPC2	Admission Records Specialist II	Resignation	SCC	1/8/2021		35,039	392,642
11	Gitonga, Kanana	2INTL-CF-CORD	International Student Coordinator	Retirement	SCC	1/31/2019	BCF#BCG7J8E3T1 H&W S3569 cost moved to 11-0000-620000-29110-3415 to fund Jay	114,489	
11	Heinsma, Todd	2GROS-CF-WKR3	Gardener/Utility Worker	Probational Dismissal	SCC	8/28/2020	Nguyen#1062155 H&W acct. CL20-00040	71,237	
11	Tran, Kieu-Loan T.	2ADM-CF-SPC3	Admission Records Specialist III	Promotion	SCC	3/1/2020	Jazmine Flores WOC 9/11/20-6/30/21 Board docket 8/10/20	111,116	
<b>TOTAL</b>								<b>2,190,961</b>	<b>3,578,164</b>

## RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

## MEASURE Q

## Projects Cost Summary

12/31/20 on 01/05/21

Special Project Numbers	Description	Project Allocation	Total PY Expenditures	FY 2020-2021		Cumulative Exp & Enc	Project Balance	% Spent
				Expenditures	Encumbrances			
<b>ACTIVE PROJECTS</b>								
<b>SANTA ANA COLLEGE</b>								
3035/ 3056	Johnson Student Center	59,198,222	36,998,707	10,585,800	10,605,835	58,190,342	1,007,880	98%
	Agency Cost		479,276	(1)	3,443	482,718		
	Professional Services		5,273,249	582,635	1,223,524	7,079,408		
	Construction Services		31,161,950	9,995,537	8,355,017	49,512,503		
	Furniture and Equipment		84,233	7,629	1,023,852	1,115,714		
3049	Science Center & Building J Demolition	70,480,861	55,803,846	1,517,314	4,313,879	61,635,040	8,845,821	87%
	Agency Cost		430,871	10,260	1,696	442,827		
	Professional Services		8,613,856	401,582	624,777	9,640,215		
	Construction Services		45,942,968	125,364	3,006,032	49,074,364		
	Furniture and Equipment		816,152	980,108	681,374	2,477,634		
<b>TOTAL ACTIVE PROJECTS</b>		<b>129,679,083</b>	<b>92,802,553</b>	<b>12,103,114</b>	<b>14,919,715</b>	<b>119,825,382</b>	<b>9,853,701</b>	<b>92%</b>
<b>CLOSED PROJECTS</b>								
3032	Dunlap Hall Renovation	12,620,659	12,620,659	-	-	12,620,659	0	100%
	Agency Cost		559	-	-	559		
	Professional Services		1,139,116	-	-	1,139,116		
	Construction Services		11,480,984	-	-	11,480,984		
	Furniture and Equipment		-	-	-	-		
3042	Central Plant Infrastructure	57,266,535	57,266,535	-	-	57,266,535	0	100%
	Agency Cost		416,740	-	-	416,740		
	Professional Services		9,593,001	-	-	9,593,001		
	Construction Services		47,216,357	-	-	47,216,357		
	Furniture and Equipment		40,437	-	-	40,437		
3043	17th & Bristol Street Parking Lot	198,141	198,141	-	-	198,141	0	100%
	Agency Cost		16,151	-	-	16,151		
	Professional Services		128,994	-	-	128,994		
	Construction Services		52,996	-	-	52,996		
	Furniture and Equipment		-	-	-	-		
<b>TOTAL CLOSED PROJECTS</b>		<b>70,085,335</b>	<b>70,085,334</b>	<b>-</b>	<b>-</b>	<b>70,085,334</b>	<b>0</b>	<b>100%</b>
<b>GRAND TOTAL ALL PROJECTS</b>		<b>199,764,418</b>	<b>162,887,887</b>	<b>12,103,114</b>	<b>14,919,715</b>	<b>189,910,716</b>	<b>9,853,701</b>	<b>95%</b>
<b>SOURCE OF FUNDS</b>								
	ORIGINAL Bond Proceeds	198,000,000						
	ACTUAL Bond Proceeds Recon Adjust.	(1,614,579)						
	Interest Earned	2,993,115						
	Interest/Expense (FY20/21)	385,881						
	<b>Totals</b>	<b>199,764,418</b>						

**Rancho Santiago Community College**  
**FD 11/13 Combined -- Unrestricted General Fund Cash Flow Summary**  
**FY 2020-21, 2019-20, 2018-19**  
**YTD Actuals- December 31, 2020**

	FY 2020/2021											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
<b>Beginning Fund Balance</b>	\$38,043,629	\$37,889,783	\$21,376,325	\$29,613,899	\$20,966,003	\$18,372,900	\$19,084,696	\$19,084,696	\$19,084,696	\$19,084,696	\$19,084,696	\$19,084,696
<b>Total Revenues</b>	9,803,314	(1,484,159)	24,214,797	7,145,358	15,876,235	15,334,469	0	0	0	0	0	0
<b>Total Expenditures</b>	9,957,160	15,029,299	15,977,224	15,793,254	18,469,339	14,622,673	0	0	0	0	0	0
<b>Change in Fund Balance</b>	(153,846)	(16,513,458)	8,237,574	(8,647,895)	(2,593,104)	711,797	0	0	0	0	0	0
<b>Ending Fund Balance</b>	37,889,783	21,376,325	29,613,899	20,966,003	18,372,900	19,084,696	19,084,696	19,084,696	19,084,696	19,084,696	19,084,696	19,084,696
	FY 2019/2020											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
<b>Beginning Fund Balance</b>	\$38,759,045	\$46,756,827	\$39,862,144	\$42,643,395	\$31,406,449	\$32,285,576	\$51,748,699	\$45,395,701	\$27,255,963	\$27,628,258	\$31,992,321	\$23,555,194
<b>Total Revenues</b>	18,530,608	6,957,617	17,893,333	6,103,920	18,289,460	35,095,906	8,486,077	1,438,315	15,146,041	20,661,983	7,845,575	41,652,047
<b>Total Expenditures</b>	10,532,826	13,852,300	15,112,081	17,340,866	17,410,333	15,632,783	14,839,075	19,578,053	14,773,746	16,297,921	16,282,702	27,163,612
<b>Change in Fund Balance</b>	7,997,782	(6,894,683)	2,781,251	(11,236,947)	879,127	19,463,123	(6,352,998)	(18,139,738)	372,295	4,364,063	(8,437,127)	14,488,435
<b>Ending Fund Balance</b>	46,756,827	39,862,144	42,643,395	31,406,449	32,285,576	51,748,699	45,395,701	27,255,963	27,628,258	31,992,321	23,555,194	38,043,629
	FY 2018/2019											
	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual
<b>Beginning Fund Balance</b>	\$37,903,213	\$41,275,963	\$35,157,531	\$35,434,499	\$27,561,284	\$25,844,907	\$39,405,066	\$39,371,921	\$28,793,164	\$28,369,733	\$39,111,613	\$30,603,274
<b>Total Revenues</b>	12,626,143	6,732,548	14,600,385	7,442,505	17,105,605	29,957,387	14,004,082	6,570,808	15,379,629	26,037,945	9,298,822	31,999,654
<b>Total Expenditures</b>	9,253,392	12,850,980	14,323,417	15,315,721	18,821,982	16,397,228	14,037,228	17,149,564	15,803,060	15,296,065	17,807,162	23,843,882
<b>Change in Fund Balance</b>	3,372,750	(6,118,432)	276,968	(7,873,215)	(1,716,377)	13,560,159	(33,145)	(10,578,756)	(423,431)	10,741,880	(8,508,340)	8,155,771
<b>Ending Fund Balance</b>	41,275,963	35,157,531	35,434,499	27,561,284	25,844,907	39,405,066	39,371,921	28,793,164	28,369,733	39,111,613	30,603,274	38,759,045



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Santa Ana College • Santiago Canyon College

## **DISTRICTWIDE ENROLLMENT MANAGEMENT WORKGROUP (DEMW) MEETING**

### **Action Items**

November 13, 2020 12:00pm-1:30pm

#### **I. Welcome**

Mr. Perez provided welcoming remarks.

#### **II. \*Action Items – October 9, 2020 – Informational**

#### **III. Update – District Enrollment Management Reports**

Mr. Davis reported on work with CWP, VP's, Deans. CWP reviewing questions and data elements with a response next week.

Mr. Perez stressed importance of internal processes and making data driven decisions; reported on 'Right Sizing' work being done with CWP and what schedules are producing; at initial data gathering stages for colleges and district. CWP reaching out to Mr. Davis for data verification. Information will be placed on agenda as he receives it.

#### **IV. IEPI - Update**

##### **a. \*IEPI – Predictive Analytics / Resources & Software Support**

Dr. Lamb reported that both colleges have engaged the contracted services of Ad Astra to engage in a strategic scheduling review; supports using additional funds to support the work that will come from CWP's review/recommendation of enrollment management reporting. If SCC goes with Starfish, both colleges could use these funds as a one time support of that software.

Mr. Davis reported on work being done.

Its was proposed to do a comparison between AdAstra produced reports and CWP reports. Discussion ensued on IEPI deadline of software funds and using monies for enrollment management efforts.

**Reporting made on IV will to go back to POE.**

**Mr. Stringer and Mr. Voelcker** will report back on where SCC is on predictive analytics & software purchase.

#### **V. Intersession & Spring 2021**

##### **a. SAC/SCC - Update of Calls to Students**

Dr. Hubbard shared screen of SAC's report and findings, calls to be completed by Dec. 1<sup>st</sup> deadline and reported on plans for intersession and spring.

Group questions were answered. Tutoring services and academic computing assistance are still available.

Ms. Cossio-Muniz stressed importance to push this message out.

Mr. Nguyen reported on his experience as faculty; student's learning secondary while dealing with COVID; constant reminders to students needed along with incentivizing them to use resources; asking 'what resources would you like to see to stay enrolled?'

Dr. Hubbard reported on students' concern with safety and F2F measures; making sure they know what measures have been placed to ensure they are safe is important.

**Dr. Hubbard** will forward report to Ms. Duenez.

#### BOARD OF TRUSTEES:

Claudia C. Alvarez • Arianna P. Barrios • John R. Hanna • Zeke Hernandez • Lawrence R. "Larry" Labrado • Nelida Mendoza Yanez • Phillip E. Yarbrough

#### CHANCELLOR:

Marvin Martinez

Mr. Rizvi shared screen of SCC's report and findings; the change to the College Promise campaign, will be giving more book vouchers depending on classes enrolled. Book loan program had a good outcome with a thank you to Mr. Davis. Low income programs hurting; TRIO and Upward Bound students dropping out due to COVID and home life concerns; many are 1<sup>st</sup> year freshman students. Reported on marketing campaign with COVID testing near gym.

Ms. Cossio-Muniz reported on success with HUBS call center and Outreach depts. Mr. Rizvi, Mr. Voelcker, Ms. Jennifer Coto and Ms. Cossio-Muniz will schedule to connect after meeting. Dr. Hubbard shared same issue with SAC and 1<sup>st</sup> time students; reported on assistance to students from Guided Pathways framework and services provided. Mr. Rizvi will forward reports to Ms. Duenez.

**b. \*F2F Survey**

Ms. Pham reported; students more comfortable now with distance learning. Reported on 'Students who applied but did not enroll'; report available to send to group. Discussion ensued on students dropped due to non-payment and extending payment, waitlisted students not being added to classes. Dr. Hubbard reported a meeting in the works with both colleges to discuss modifying the 'Drop for Non-payment' policy. Mr. Martin reported on survey to faculty on returning to F2F similar to student survey. Dr. Lamb reported on the schedule being built and exploring Owl technology.

Mr. Perez made importance that better communication to students is one thing we CAN do; district level marketing and communications being a big component; the need to have plan for spring even with not knowing what tier we'll be in for county; more communications on websites is being done, a video is in the works.

Ms. Bootman noted the importance of clarity on type of class being offered is needed and difference in modalities.

Ms. Cossio-Muniz reported on 'We've Got You Covered Campaign'; shared campaign logos and landing pages on websites; videos in production with students of how-to mask wearing; asked workgroup to share suggestions with her.

VI. Other

a. Next meetings – best Friday's to meet

Ms. Duenez will poll group for 1<sup>st</sup> & 3<sup>rd</sup> or 2<sup>nd</sup> and 4<sup>th</sup> Friday's.

Discussion ensued on access granted to reports for Dept. Chairs.

Access to reports is one component but need for training on how to use reports is next step with tricks and tips; further inquiry with Deans needed.

Mr. Perez asked Dr. Lamb and Mr. Martin to follow up with their Deans on what training they need.

**Recording link:**

[https://cccconfer.zoom.us/rec/share/voFSphnt1karGvrt3EeyvGFyEJsWIZO\\_7UOnH5fV7RM0rhsiFgpHYhz1INRSUOWo.vRoDqmIR-jjrzuHP](https://cccconfer.zoom.us/rec/share/voFSphnt1karGvrt3EeyvGFyEJsWIZO_7UOnH5fV7RM0rhsiFgpHYhz1INRSUOWo.vRoDqmIR-jjrzuHP) Passcode: nW.+0&WB

**Members Present:**

Enrique Perez, Matthew Beyersdorf, Ashly Bootman, Ruth Cossio-Muniz, Stuart Davis, Corinna Everett, Dr. Vaniethia Hubbard, Dr. James Kennedy, Dr. Jeff Lamb, Janice Love, Thao Nguyen, William Nguyen, Nga Pham, Syed Rizvi, Craig Rutan, Martin Stringer and Aaron Voelcker

**Absent:**

Jesse Gonzalez and John Steffens

**SAC Enrollment Management –Phone Call  
Campaign November 5, 2020**

2<sup>nd</sup> REPORT Summary

- Students who were enrolled at the end of first week (fall 2020) and now are not enrolled (no units).
- Students still enrolled but for fewer units than had during first week and not full time.
- Students who dropped courses, for many different reasons, at SAC.
- Early Decision High School students who applied, registered, yet didn't attend.

General Summary of Calls:

Total Students Called	6081
Students Spoken To & Info Recorded	3065
Didn't Speak to Student But Message Left on Voicemail	2431
Wrong numbers, disconnected, no longer in service, unable to leave a message, or hung up on caller	585
Calls not completed	2166

General Findings:

- Despite the situation with the pandemic, students were doing fine and doing the best they can
- Majority of students grateful for phone call
- Most that spoke to had a very positive attitude and have adapted to the online platform
- Range of students that dropped all classes, dropped some classes, and didn't drop any at all
- Many students were in EOP
- Some Dual Enrollment students which were forwarded to Basti

GR8 Week Feedback:

- Some students planned to begin GR8 classes next week
- Some students on waitlist for GR8 classes but plan to take classes in Spring Intersession as well
- Some students needed assistance with registering for 8-week classes. (Assistance was provided)
- The majority were taking several classes already (many even full-time enrolled) and not interested in adding classes this semester (8-weeks)

- Most continuing students plan to take classes in Spring regardless of format and a few were interested in Intersession and/or 8-week classes
- Some continuing students were taking their last couple of classes for graduation/transfer/pre-requisites for post-baccalaureate programs and therefore were not intending to enroll in Spring

Student Comments:

- “Kept all my classes and going great”
- “Had to drop all classes as family member got COVID”
- “Very happy with my online classes”
- “I graduated from SAC with AA in Criminal Justice & Psychology and going to National University”
- “Brother passed away but will return in Spring”
- “Not doing as well this semester due to online classes. Use to getting A’s”
- “Online is not for me.”
- “I’m too stressed out”
- “Thank you for checking on me.”
- “Thank you for calling, totally unexpected.”
- “Need assistance with Financial Aid”
- “Yes, I am still taking classes and dropped class due to online switch.”
- “I will take more classes in spring 2021.”
- “Yes, I’m interested in Intersession 2021.”
- “I am taking specific classes to finish my major; not offered every semester.”
- “I dropped Math; it’s hard to do Math online.”
- “Dropped all or most of classes due to childcare.”
- “Class needed are not offered during intersession, not interested.”
- “I would not like to return; it’s not safe.”
- “I would return; if safety measures are in place.”
- “I would return; wearing a mask is important.”
- “Already have enough classes this Fall”
- “Unable to attend school due to work schedule”
- “Unable to attend school due to child care issues”
- “I’d like to be back on campus for next semester”
- “Online education is not for me”
- “I am a registered student”
- “My instructors lack communication”

Student Service Assistance:

- Some students had questions about accessing various student services and found that part of our conversation very helpful



## SCC Enrollment Management – Phone Call Campaign

### Targeted Populations

- Those students who applied, enrolled and never showed up
- Those who enrolled and dropped out completely – (Students who were enrolled at the end of first week (fall 2020) and now are not enrolled any more).
- Those who are currently enrolled and dropped units
- Those FA students meeting SAP who are carrying fewer units if they can be encouraged to pick up more units

Out of the **993** students that were called, communication was made with only **137** students and the rest went to voicemail. For the group “those who enrolled and dropped out completely,” the vast majority did not actually answer the phone. For the group “those who are currently enrolled and dropped units, 124 answered the call.

SCC utilized staff from Outreach, FYSC, A&R, FA, Helpdesk and other areas like EOPS, Student life, or VSO, please reach out

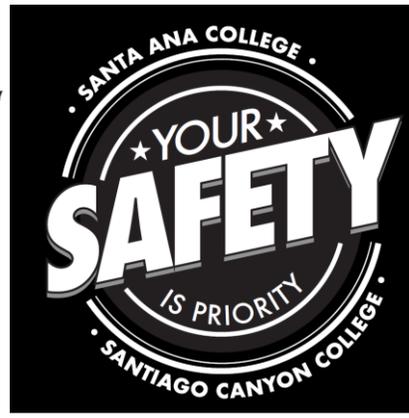
### **TOTAL 993 Students**

A - DON'T LIKE ONLINE, PREFER IN PERSON	(34 responses)
B - MONEY/FIN AID ISSUES	
C - TECHNOLOGY ISSUES (WIFI, COMPUTER, ETC.)	(3 responses)
D - HEAVY SEMESTER LOAD, HOME COMMITMENTS, OR PERSONAL	(85 responses)
E - NOT INTERESTED IN ADDING ANOTHER COURSE	(15 responses)
F - NO ANSWER/LEFT VOICEMAIL	(86.2%)

Out of the 993 students, only 137 answered; therefore 13.8% spoke with a college representative.



In addition, texting campaigns occurred for those FA students meeting SAP who are carrying fewer units and were encouraged to pick up additional units, thereby also providing them with additional financial aid assistance.



**WE'VE GOT YOU COVERED !**

KEEPING OUR CAMPUSES SAFE FROM COVID-19.  
CLICK HERE TO LEARN MORE ABOUT OUR SAFETY MEASURES.



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## **Fiscal Resources Committee**

Via Zoom Video Conference Call

1:30 p.m. – 3:00 p.m.

### **Meeting Minutes for November 18, 2020**

**FRC Members Present:** Adam O'Connor, Morrie Barembaum, Steven Deeley, Noemi Guzman, Bart Hoffman, Cristina Morones, Thao Nguyen, William Nguyen, Enrique Perez, Craig Rutan, Arleen Satele, Roy Shahbazian, and Vanessa Urbina

**FRC Members Absent:** None

**Alternates/Guests Present:** Erika Almaraz, Jacob Bereskin, Jason Bui, Vaniethia Hubbard, Mark Reynoso, Syed Rizvi, George Walters (CWP) and Barbie Yniguez

1. Welcome: Adam O'Connor called the meeting to order at 1:32 p.m. via zoom.
2. State/District Budget Update
  - DOF – October 2020 Finance Bulletin
  - FCMAT – Correctly Sizing a Community College District's Management Structure and Staffing
  - SSC – September 2020 State Tax Collections are Ahead of Projections
  - SSC – CalPERS Actuarial Report Revises Contribution Rate Estimates
  - SSC – Community College Financial Projection Dartboard (Revised CalPERS Rates)
  - SSC – LAO Analyzes State Education Spending Plan
  - SSC – Proposition 15 Prospects Look Grim While Proposition 19 Looks Poised to Pass
  - Cal Matters-What Prop. 15's defeat means for California Schools

Adam O'Connor referenced the above articles and additional fiscal outlook handouts. The fiscal outlook information was posted approximately two hours prior to the meeting. The news is surprisingly positive whereby in the LAO's assessment, the State economy has improved enough to buy back deferrals and fund 1.14% COLA, along with additional on-going and very large one-time funding increases. However, that does not take into consideration that much of the State is going back into the 'purple tier' and shutting down economy again. The Chancellor's Office analysis may provide a more flat perspective. Even with a flat perspective, it would be fairly good news. However, RSCCD has to deal with increased costs, a tight budget and cuts as necessary. It was further explained that the outlook is provided twice a year and this is the typical November update that guides budget development for the next fiscal year. When asked about the deficit factor, it was noted the Chancellor's Office would address that, not the LAO and most likely the deficit factor would remain. In conclusion, Mr. O'Connor referenced articles on Propositions 15 and 19; Proposition 15 was defeated, while Proposition 19 passed. FCMAT article offers information for correctly sizing management and staffing to fit revenue/ expenditures. Vice Chancellor Perez provided brief comments on right sizing RSCCD with the assistance of Cambridge West Partnership consultants reviewing data, class schedules and pressure points on the budget and determining 5-year trends for revenue and expenditures; looking at what the schedules are producing to ensure alignment with revenue. This will assist in making right sizing determinations districtwide.

3. Continued Discussion of SCFF and Review of BAM – Cambridge West Partnership Consultants  
George Walters reviewed and discussed edits, comments submitted by the SAC budget allocation workgroup as well as edits submitted by William Nguyen. Bart Hoffman referenced the CCCC COVID-19 Emergency Conditions Allowance application submitted by Peter Hardash and Chancellor Martinez in early May of this year. The purpose was to prop up counts, but RSCCD is in hold harmless and not earning enough to be over hold harmless. Emergency conditions apply only to FTES.

Following a lengthy and clarifying discussion, it was determined the proposed language from the SAC budget allocation workgroup would be considered in the next update of the BAM in March so as not to hold up this process any longer and also consider additional research with various scenarios.

A motion was made by Craig Rutan to approve the BAM with edits as proposed by William Nguyen. The motion was seconded by Arleen Satele. There was further discussion with explanation that Basic Allocation and FTES in Traditional Credit, Special Admit, Incarcerated Credit and Traditional Noncredit, CSCP and Incarcerated Noncredit is based on current year. Also, the data used to calculate funding for noncredit is current year only not part of the average. Incarcerated noncredit is still funded the same. Supplemental Allocation includes prior year data. It was further confirmed the purpose of approving the BAM assists with the accreditation validation as well as confirm current processes because previous BAM included references to SB 361 which has been replaced by Student Centered Funding Formula (SCFF). The BAM is reviewed and updated every year. Scenarios could be run in January 2021. With no further questions, opposition and abstentions, the motion passed unanimously.

#### 4. 50% Law Calculation

As a follow-up to previous discussions and inquiries from past meetings, Thao Nguyen provided a thorough explanation of the College Level SCFF Data and dollar amount split referenced on page 74 of the meeting materials. For Supplemental Allocation, prior year unduplicated headcounts are used for the calculation. She then presented an extensive review of the 50% law calculation. She referred to pages 76-79 of the meeting materials with detailed synopsis. There were no additional questions.

#### 5. Instructional/Non-instructional – Salaries & Benefits % of Total Expenditures

As a follow-up to previous discussions and inquiries from past meetings, Thao Nguyen provided a general review of instructional and non-instructional expenditures. She referenced pages 80-81 of the meeting materials. She clarified object codes for salaries of employee groups and other instructional costs. The information demonstrates how funds are expended for instructional and non-instructional purposes. SAC expends 61.73% for instructional while SCC expends 57.75%; and for non-instructional SAC expends 38.27% and SCC expends 42.25%. This data confirms speculation that SCC spends more on non-instructional salaries/benefits vs what SAC spends. This data will likely be used by CWP in consideration of right sizing; however, it will not be the only data used. The colleges are unique with different populations and priorities. This is but one element to be considered.

#### 6. \$ Split between SAC/SCC based on FY 2017/18 Total % of FTES Split

Thao Nguyen explained the dollar split based on total percentage split in fiscal year 2017/18 close out and potential percentage splits for 2018/19 and 2019/20. She referenced pages 82-83 of the meeting materials. The projection for 2018/19 and 2019/20 will assist in making informed decisions in applying hold harmless. The information changes from year to year and as new information is available it will be shared. Further discussion will assist the decision for applying hold harmless. Many districts were successful in meeting the SCFF metrics (including RSCCD), however, there wasn't enough funding for all districts, and therefore a deficit factor was initiated and more districts went into hold harmless as well (including RSCCD). Mr. O'Connor confirmed a follow-up to clearly identify how the metrics are applied to each fiscal year.

#### 7. Standing Report from District Council - Rutan

Craig Rutan provided a brief report on the actions of District Council including the reorganization approval of moving ITS from Business Operations/Fiscal Services to Educational Services and now reporting to Enrique Perez. Additionally, District Council approved a new administrative regulation for the salary placement of managers and classified because there wasn't one previously.

#### 8. Informational/Additional Handouts

- District-wide expenditure report link: <https://intranet.rscsd.edu>
- Vacant Funded Position List as of November 12, 2020
- Measure "Q" Project Cost Summary October 31, 2020

- Monthly Cash Flow Summary as of October 31, 2020
- [SAC Planning and Budget Committee Agendas and Minutes](#)
- [SCC Budget Committee Agendas and Minutes](#)
- [Districtwide Enrollment Management Workgroup Minutes](#)
- [The 2020-21 Budget: The Fiscal Outlook for Schools and Community Colleges](#)
- [The 2021-22 Budget: California's Fiscal Outlook](#)

Additional handouts were referenced for information purposes.

9. Approval of FRC Minutes – October 21, 2020

A motion was made by Arleen Satele and seconded by Cristina Morones, to approve the minutes of October 21, 2020 meeting. With no questions, comments, corrections, or opposition, the motion passed with one abstention by Enrique Perez.

10. Other – None.

The next FRC meeting is scheduled for January 13, 2021 and no December meeting.

It was moved by William Nguyen and seconded by Craig Rutan to adjourn the meeting. The motion passed unanimously to adjourn the meeting at 2:57 p.m.