

Membership

District Budget Committee

May 15, 2019

1:30 pm – 3:30 pm

Educational Services Center, Board Room

Academic Senate

Holly Bailey-Hofmann
Lourdes Brent
Angela Echeverri
Jeff Hernandez*
Robert L Stewart Jr.
Dan Wanner

Faculty Guild

Joseph Guerrieri
Sandra Lee
John McDowell
Rodger Mc Guinness
Olga Shewfelt
Joanne Waddell

Unions/Association

Arif Ahmed
Kathleen Becket
Velma Butler
Iris Ingram
Paulina Palomino
Vacant-Build& Const Trade

College Presidents

Seher Awan
Lawrence Buckley**
Larry Frank
Mary Gallagher
Otto W. Lee
James M. Limbaugh
Marvin Martinez
Denise Noldon**
Monte Perez*

**STUDENT TRUSTEE
REPRESENTATIVE**

vacant

* Co-chairs

**Interim

1. Call to Order (*Monte Perez*)
2. Approval of Agenda
3. Approval of Minutes for April 10, 2019
4. Chancellor's Remarks/Updates
5. ECDBC Reports and Recommendations
 - College Debt – cont.
 - Budget Allocation Document
6. Enrollment Update (Cornner)
7. FON Update (Román)
8. Year End Balance Projection – 3rd Qtr 311 Report (Gordon)
9. 2019-20 May Revise (Miller)
10. 2019-20 Proposed Tentative Budget (Gordon)
11. Faculty Co-Chair nominees (Hernandez)
12. DBC Recommendations to the Chancellor
13. Items to Be Addressed by ECDBC
14. Other Business

Future DBC Meetings: Jun 12

Future ECDBC Meetings: ~~May 21~~, June 25

Supporting Documents can be found at:

<http://laccd.edu/Departments/DistrictLevelGovernance/DBC/Pages/default.aspx>

Los Angeles Community College District

District Budget Committee Meeting Minutes

April 10, 2019

1:30-3:30 pm, Educational Services Center, Board Room

Roll Call X Indicates Present

Academic Senate

Holly Bailey-Hoffman	X
Lourdes Brent	X
Angela Echeverri	
Jeff Hernandez*	X
Robert L. Stewart Jr.	X
Dan Wanner	X

L.A. Faculty Guild

Joseph Guerrieri	X
Sandra Lee	X
John McDowell	
Rodger Mc Ginness	X
Olga Shewfelt	X
Joanne Waddell	

Unions/Association

Arif Ahmed	
Kathleen Becket; SEIU Local 99	
Velma Butler/Shirley Chen	
Iris Ingram; Class Mgmt. Rep	X
Paulina Palomino; Local 911 Teamster	X
Vacant-Build & Cost Trade	

College Presidents

Seher Awan	X
Lawrence Buckley**	X
Larry Frank (Marcy Drummond)	X
Mary Gallagher	X
Otto W. Lee	X
James M. Limbaugh	X
Marvin Martinez	X
Denise Noldon** (Mike Lee)	X
Monte Perez*	X

Student Trustee Rep

Kelly N. Williams

* DBC CO-chairs

** Interim

Also Present

Resource Persons

Ryan M. Cornner
Jeanette L. Gordon
Deborah A. La Teer
Robert B. Miller
Melinda A. Nish
Francisco C. Rodriguez
Albert J. Roman

Guests

Grace Chee
Paul De La Cerda
Daniel B. Hall
Anil K Jain
Alan Khuu

1. **Call to Order** by Monte Perez at 1:40 pm, with Jeff Hernandez chairing the committee later.
2. **Approval of Agenda** – The Agenda was approved with no changes
3. **Approval of Minutes** - The minutes of the March 13, 2019 meeting were approved with no changes.
4. **Chancellor's Remarks/Updates**
 - The Chancellor recommends all Districtwide faculty and staff to take a moment to read his monthly newsletter posted on the LACCD website.
 - LACCD has join the National Academies of Science, Engineering, and Medicine and 27 other colleges and universities to establish an Action Collaborative on Preventing Sexual Harassment in Higher Education. The purpose of the Action Collaboration is to bring together academic leader and key stakeholders to prevent sexual harassment across all disciplines and among all people in higher education.
5. **ECDBC Reports and Recommendations**
 - **College Debt – cont.** The college presidents recommended to the ECDBC committee to reduce the debt repayment requirement from 3% to 1 % of their budget allocation. The committee will continue to discuss this topic at the next meeting.
 - **STRS/PERS, OPEB Reserve** - No changes recommended
 - **College, ESC, Districtwide Balances-** No changes recommended
6. **Enrollment Update (Cornner)**
 - There are no enrollment updates since the last meeting , however final counts for Spring 2019 should be available at the May DBC meeting.
 - The district is still seeing a decline in enrollment of 1.5-2.5%.
 - There are some concerns with English and Math section offerings for Fall 2019 in particular with Math classes with the implementation AB 705. There are approximately 300 intermediate algebra or below sections despite the fact that no students will be directed into these classes.
7. **LACCD Guided Pathways Retreat (Cornner)**
 - A PowerPoint presentation that was given at the Guided Pathways Retreat was shared with the committee.
8. **FON Update (Roman)**
 - The Fall 2019 Full Time Faculty Hire schedule by colleges was distributed showing the need to hire 82 positions.
 - 57 of the 82 positions were as a resulted as a condition of accepting \$4.7m in additional ongoing FON. Revenue. Even though the hiring commitment is for the 2019-20 fiscal year, the \$4.7m has been allocated to the colleges in the 2018-19 year with the expectation that the colleges will save this revenue to help offset the cost differential over the next two and a half years.
 - Through the Office of Diversity, all members of hiring committees are required to have mandatory diversity training.
 - A document from the State Chancellor's Office titled Fall 2018 Full-time Faculty Obligation Compliance by District was distributed. LACCD has a full-time/part-time ration of 62.6%.
9. **Historical Salary and Benefit Costs by Location (Gordon)**
 - As a result of a member's request, a handout titled *Comparative Expenditure Data (LACCD Unrestricted General Fund by Sub-Major Commitment Item) for fiscal years 2014-2015 thru 2018-2019* was distributed.
10. **Faculty Co-Chair nominees (Hernandez)**
 - The election nominees will be selected at the next DBC Meeting 5-15-2019.
11. **DBC Recommendations to the Chancellor**
 - No recommendations to the Chancellor

12. Items to Be Addressed by ECDBC

- No items to be addressed by ECDBC

13. Other Business

- Dr. Miller gave an overview of the revised P1 for fiscal year 2018-19 and explained the modifications to the Student Centered Funding Formula for the fiscal year 2019-20.

The meeting was adjourned at 2:50pm.

Future DBC Meetings: May 15, Jun. 12

Future ECDBC Meetings: Jun 25

Supporting Documents can be found at:

<http://laccd.edu/Departments/DistrictLevel/Governance/DBC/Pages/default.aspx>

Los Angeles Community College District Unrestricted General Fund – Allocation Model

The LACCD Allocation Model is designed to distribute General Fund Unrestricted resources which supports the basic operations and mission of the District. The model was developed with the following guidelines.

Funding Principles

Commented [LTDA1]: Updated

- Aligns with the State's **Student Centered Funding Formula (SCFF) in support of student access, equity and success.**
- Allocation Model should be easily understood, fair and predictable.
- Recognizes there are core services and unique characteristics associated with a College regardless of size.
- Recognizes that there are Districtwide costs and Educational Service Center operations that must be funded.
- Balances will be retained by Colleges and Educational Service Center locations.

I. Parameters used to determine State Apportionment Revenue

Commented [LTDA2]: Updated to describe new Student Centered Funding Formula (SCFF)

1. Base Allocation

The Base Allocation is the enrollment-based component of the State Student Centered Funding Formula (SCFF) and is the sum of the Basic Allocation funding (which is based on the number of colleges and centers in a district and its size) and the funding for enrollment in credit (utilizing a three-year average), noncredit, and career development and college preparation (CDCP) noncredit courses, as well as enrollment of special admit students and inmates in correctional facilities.

For fiscal year 2018-19, the basic allocation base rate is:

- | | | |
|---------------------------|-------------|----------------|
| • FTES >= 20,000 | \$4,866,469 | large college |
| • 10,000 <= FTES < 20,000 | \$4,258,160 | medium college |
| • FTES < 10,000 | \$3,649,851 | small college |

For fiscal year 2018-19, the FTES allocation rates are:

- | | |
|------------------------------|---------|
| • Credit | \$3,727 |
| • Special Admit Credit | \$5,457 |
| • Incarcerated Credit | \$5,457 |
| • Non-Credit | \$3,347 |
| • Non-Credit Enhanced (CDCP) | \$5,457 |

2. Supplemental Allocation

Los Angeles Community College District Unrestricted General Fund – Allocation Model

The Supplemental Allocation of the SCFF recognizes that districts must provide additional support to remove barriers to access and success for certain groups of students. It is determined based on the number of low-income students in a district.

For fiscal year 2018-19, the Supplemental Allocation rates are:

- Pell Grant Recipients \$919
- College Promise Grant Recipients \$919
- AB 540 students \$919

3. Student Success Allocation

The Student Success Allocation encourages progress on outcomes linked to the goals included in the State Chancellors Office *Vision for Success*. This allocation assigns funding rates for eight outcomes with additional funding for outcomes attained by students who received Pell Grants and College Promise Grants (Equity).

For fiscal year 2018-19, the Student Success Allocation rates are:

- Associate degree for transfer (ADT) \$440
- Associate degree granted \$440
- Baccalaureate degree granted \$440
- Credit certificate granted \$440
- Transfer-level Math or English course \$440
- Transfer to four-year university \$440
- Completion of nine or more CTE units \$440
- Attainment of regional living wage \$440

For fiscal year 2018-19, the Equity Allocation rates are:

- Associate degree for transfer (ADT) \$111
- Associate degree granted \$111
- Baccalaureate degree granted \$111
- Credit certificate granted \$111
- Transfer-level Math or English course \$111
- Transfer to four-year university \$111
- Completion of nine or more CTE units \$111
- Attainment of regional living wage \$111

4. COLA

COLA (cost of living adjustment) will be distributed as specified in the State Apportionment notice.

Commented [LTDA3]: Existing language, page 2 of 18

5. Growth

Growth will not be budgeted until earned and distributed only to the extent in which it is paid by the State.

Commented [LTDA4]: new

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

II. Parameters to Allocate State Apportionment Revenue

1. Educational Services Center (ESC)

Commented [LTDA5]: new

The District recognizes that there are certain services that are provided more efficiently through a central operation. Examples of these services include Human Resources, Payroll, Accounts Payable and Purchasing. Funding for the ESC will be determined by a percentage of LACCD Base Allocation determined by the state Student Centered Funding Formula (SCFF). During the three-year implementation of the SCFF, the percentage will be determined by the formula: Prior Year Allocation + Current Year COLA + Board Approved Adjustments +/- cost transfers from/to other locations, divided by the Total Base Allocation of the Total Computation Revenue. This methodology is the equivalent of 6% of the 2018-19 General Fund Unrestricted Revenue budget (less dedicated revenue). Funding for the ESC will come off the top of the Base Allocation, the remaining Base Allocation will be proportionately reduced across all locations and shall be distributed to colleges based on their proportion of

the Districts funded FTES. The percentage and methodology will be reviewed a few years after the SCFF is fully implemented.

2. Districtwide (Centralized) Accounts

Commented [LTDA6]: new & existing language, page 4 of 18

There are annual expenditures which support the District as a whole or that cannot be easily broken out by college require resources. Examples of these expenditures include Property & Liability Insurance, Legal, Audit, etc. Budgets in these accounts do not carryover but are replenished each year. Funding for the Districtwide Accounts is based on need, the Presidents will make budget recommendation on Districtwide Accounts to the District Budget Committee. Funding for the Districtwide Accounts will come off the top of the Base Allocation, the remaining Base Allocation will be proportionately reduced across all locations and shall be distributed to colleges based on their proportion of the Districts funded FTES.

3. Other Districtwide Accounts

Commented [LTDA7]: new

There are Districtwide projects and expenditures that are one time in nature that tend to take multiple years to complete. Budgets in these accounts carryover until project completion or are self-supporting operations. Examples of these expenditures include the President and Dean Academy, DAS professional college, DAS sustainability and Van de Kamp. Funding for these other Districtwide accounts come from one-time budget requests or from unique funding streams and does not come from the Base Allocation.

4. Reserves

Commented [LTDA8]: new & existing language page 3 of 18, item IV, 3

The District shall maintain a District General Reserve of six and a half percent (6.5%) and a Contingency Reserve of three and a half percent (3.5%) of total unrestricted general fund revenue at the districtwide account level. Such reserves shall be established to ensure the District's financial stability, to meet emergency situations or budget adjustments due to any revenue projection shortfalls during the fiscal year. Use of the reserve must be approved by the Board prior to any expenditure. State Apportionment Base Allocation Revenue will be utilized to maintain the General Reserve (6.5%) and replenish the Contingency Reserve (3.5%).

5. College Set Asides

Commented [LTDA9]: new section

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

One percent (1.0%) of total college unrestricted allocation is to be set aside in the college budget to ensure College financial stability, to meet emergency situations or budget adjustments due to any revenue projection shortfalls during the fiscal year.

6. **Other Set Asides**

The District shall maintain a Deferred Maintenance fund, setting aside two percent (2.0%) of total unrestricted general fund revenue at the districtwide account level. State Apportionment Base Allocation Revenue will be utilized to establish the Deferred Maintenance fund each budget year.

Commented [LTDA10]: new section

7. **College Allocation**

a. **College Minimum Base**

To recognize that there are fixed expenses and core services associated with a College regardless of size, each College will receive an annual minimum base allocation determined by the following parameters:

Commented [LTDA11]: existing language page 1 of 18

- i. Minimum Administrative Staffing:
 - 1. (1) President;
 - 2. (3) Vice Presidents;
 - 3. (1) Institutional Research Dean;
 - 4. (1) Facilities Manager;
 - 5. Deans
 - a. (4) Deans => small colleges (FTES<10,000);
 - b. (8) Deans => medium colleges (FTES>=10,000 and <20,000);
 - c. (12) Deans => large colleges (FTES>=20,000).
- ii. Maintenance and Operations costs based on average cost per gross square footage.

b. **Remaining State Apportionment Allocation**

The colleges shall receive 100 % of their earned Supplemental Allocation and 100% of their earned Student Success Allocation, as well as their proportional share of their earned amount of the remaining Base Allocation (after ESC, Districtwide and Reserves).

Commented [LTDA12]: new

III. **Parameters to Allocate Other Revenue**

1. **Non-Resident Tuition/Enrollment Fees**

Revenue shall be distributed to colleges based on college projections of tuition earnings.

2. **Local Revenue and Other Federal and State Revenue (Dedicated Revenue)**

Revenue that is directly generated by colleges shall be distributed to colleges based on college projections and adjusted for actual.

3. **Lottery Revenue**

Commented [LTDA13]: existing language page 3 of 18

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

Revenue shall be distributed to colleges based on the proportion of a college's prior year FTES over the total District FTES and adjusted for actual.

4. Interest and Other Federal, State, and Local Income Not Directly Generated by the Colleges.

Interest and other federal, state, and local income that is not directly generated by colleges shall be utilized to fund the District's reserves.

IV. Parameters for Allocations

1. A College total budget shall be the sum of the adjusted base allocation, 100% of the calculated supplemental allocation, 100% of the calculated student success allocation, plus other revenue; minus college deficit payments; plus, balances.
2. Additional funding received by the District after Final Budget, not directly attributable to an individual college, shall be distributed through the new allocation model as delineated in the Revenue Parameters above.
3. In the event that actual revenues are less than the amounts projected and allocated to colleges for the fiscal year, the college budgets will be recalculated and adjusted accordingly.
4. During the implementation years of the Student Centered Funding Formula, Colleges experiencing an enrollment/FTES decline (to be determined when the First Principal Apportionment Recalculation becomes available) shall receive be held harmless in the current year of the decline in an amount equal to the revenue loss associated with the FTES reduction in that year.
5. Colleges shall keep their year-end balances up to five percent (5.0%) of their prior fiscal year's Unrestricted General Fund budget, excluding prior year balances. Colleges are allowed to carry over their accumulated balances from fiscal year 2013-14 and subsequent fiscal years up to ten percent (10%) of their prior year Unrestricted General Fund budget. Colleges will be allowed to use up to \$5 million or twenty-five percent (25%) of their ending balances, whichever is less and within the limits of the above parameters. College balance amounts prior to 2013-14 are not to be included in this calculation. Additional access is allowed with the Chancellor's approval.
6. The Educational Services Center shall retain its prior year ending balance including open orders. Open orders for Educational Services Center and Districtwide Accounts shall be funded up to the available balances from these locations. Any uncommitted balances in Districtwide Accounts shall be redistributed to colleges.
7. The college president is the authority for college matters within the parameters of law and Board operating policy. The college president shall be responsible for the successful operation and performance of the college.
8. During Budget Preparation, the Presidents will make a recommendation on Districtwide (Centralized) Accounts allocation to the District Budget Committee.
9. Prior to Budget Preparation, the Presidents will meet to forecast FTES and other metrics and set goals to maximize revenues to be generated by the colleges.
10. Each operating location shall prepare a quarterly report to include annual projected expenditures and identify steps necessary to maintain a balanced budget.

Commented [LTDA14]: new, updated and existing language page 4 of 18

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

11. The budget allocation will be recalculated using this mechanism at Final Budget, First Principal Apportionment (February), and at year-end.

College Debt Repayment Policy

College deficits are cumulative loans to be paid back beginning one year after incurring the deficit.

1. Limit annual college debt repayment obligation to **1%** of the college's Final Budget allocation.
2. Reduce debt through progress on Revenue/Expenditure Metrics. If a college ends the year with a positive balance, they will be entitled to reduce their debt balance by the same amount of that balance, provided that they end the following fiscal year positive as well.
3. Colleges that have outstanding debt repayments that exceed 3% of their Final Budget allocation may receive relief from debt repayments under the following conditions:
 - a. College must balance its budget for at least three consecutive years while meeting its FTES obligation;
 - b. College has submitted a reasonable, multi-year plan for maintaining a balanced budget and meeting its enrollment target for the duration of its repayment period;
 - c. College has paid its annual debt according to its repayment plan;
 - d. College has paid off **or reduced through item 2**, 50% or more of its total debt; thereafter, college may petition to the District Budget Committee to review and make a recommendation to the Chancellor to waive the remaining debt.
4. One-year suspension of the college debt repayment will be given to interim or new college presidents to allow them time to plan and address the college fiscal issues. **Only one one-year suspension of the college debt repayment is granted to the college.**

Commented [LTDA15]: new, updated & existing language page 5 of 18

District Financial Accountability Measures

To ensure sound fiscal management and provide a process to monitor and evaluate the financial health of colleges within the District, the overall assessments of a college's financial condition will include, but not be limited to, the following operating standards:

1. College's budget shall be balanced in terms of funds available for appropriation throughout the fiscal year. Should funds available be reduced, corresponding expenditures are expected to also be reduced.
2. College shall be expected to develop its long-term enrollment plan to meet its education mission, and maintain enrollment data on all disciplines and instructional programs. The enrollment data shall include, but not be limited to, FTES, student headcount, teaching faculty productivity by discipline area, average class size, class sections offered, and cost per FTES.
3. College shall be expected to maintain position/assignment control on all personnel assignments, both academic and classified, to ensure that costs do not exceed budget.
4. College shall develop its annual college financial plan and provide to the Chancellor timely college budget and expenditure reports and/or fiscal analyses to assist in monitoring the financial health of the college.
5. At a minimum, the college shall provide to the Chancellor quarterly status reports on expenditures and on the college's overall fiscal status.

Commented [LTDA16]: new, updated & existing language

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

6. College will develop an annual Student Centered Action Plan (SCAP) which includes goals towards meeting SCFF metrics, these goals will be evaluated quarterly. For those colleges at risk of not meeting their goals, a technical assistance team (composed of district finance staff, Vice Chancellor of Institutional Effectiveness, College President, Vice President of Administration, Vice President of Academic Affairs, Vice President of Student Services, Faculty and Classified Representatives), will meet in Fall and Spring to assist the college build capacity and identify strategies to meet or surpass the metrics.
7. Each College President and the Deputy Chancellor shall be responsible to the Chancellor for the management of the college's and Educational Service Center's total budget. Budget management includes maintaining a balanced budget, as well as the efficient and effective utilization of financial resources.
8. The District shall maintain a District General Reserve of six and a half percent (6.5%), a Contingency Reserve of three and a half (3.5%) and set aside an amount of two (2.0%) for future scheduled maintenance requirements. In addition, the College is required to set aside 1% of its revenue as a college reserve.
9. If a college's expenditures or projected expenditures exceed its revenue, college shall be required to submit a self-assessment and review to the Chancellor, and to develop a written action plan to satisfactorily address the identified fiscal concerns.
10. If the college ends the year in a deficit greater than 1% of its budget or \$500,000, whichever is greater, it is required to:
 - a. Perform self-assessment and review through the established participatory governance process at the college.
 - b. Submit to the Executive Committee of the District Budget Committee a financial plan that addresses the college's financial health concerns consistent with the measurement criteria as indicated below.
 - c. Participate in a quarterly review as requested by the Executive Committee of the District Budget Committee on the college's fiscal condition.
11. If a college has experienced three consecutive years of deficits, the college shall be required to submit a detailed recovery plan for achieving fiscal stability. The Chancellor shall evaluate the college's recovery plan and may recommend to the Board of Trustees that a special emergency response team be appointed to monitor and regulate the enrollment management and fiscal affairs of the college.
12. The Chancellor shall review the college's fiscal affairs and enrollment management practices as part of the College President's annual performance evaluation. The Chancellor must report to the Board of Trustees any significant deficiencies and take any corrective measures to resolve the deficiencies up to and including the possible reassignment or non-renewal of the college president's contract.

VII. District Financial Accountability Measurement Criteria

1. Deficit Spending
 - a. Is the college deficit spending more than 1% of its revenue budget over multiple years?
 - b. Is the deficit spending addressed by ending balance, college reserve, or built-in growth revenue?

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

- c. College's Overall Instructional Measures:
 - i. Is teaching faculty productivity (FTES/FTEF) greater than or equal to 510?
 - ii. Is average class size greater than or equal to 34?
 - iii. Are costs per FTES by instruction, instructional services, student services, maintenance and operations, and other non-instructional support services greater than or equal to average costs among small or large colleges within the district and statewide average?
 - iv. Are administrative costs per FTES greater than or equal to average costs among small or large colleges within the district and statewide average?
 - d. Full Time Faculty Hiring Obligation
 - i. What is the college's full-time and part-time ratio and obligation (excluding faculty over-base)?
 - e. College Expenditures and Staffing Trends over the last five years
 - i. Is percentage of budget allocated to salaries and benefits at or less than district-wide average?
 - ii. Is the college using one-time funds to pay for permanent staff or other ongoing expenses?
 - iii. Is faculty, administration, and classified staffing level comparable with other colleges within the District?
 - iv. How do expenditures by activity (instructional, instructional services, student services, and non-instructional activities) compare to other colleges in the district?
 - v. How do the release and reassigned FTEF and expenditures such as release times for bargaining unit and department chair non-instructional activities compare to other colleges in the district?
 - vi. How do utilities and other non-salary operating expenditures by activity compare to other colleges in the district?
 - f. Enrollment Management
 - i. Does a college have a multi-year plan for enrollment growth and class sections offered? Does a college's plan address changes in the class offerings and the maintenance of instructional productivity (FTES/FTEF)? Has the enrollment been stable over the last five years?
 - ii. Are academic and classified staffing adjustments consistent with the enrollment decline?
 - iii. Does the college continuously analyze its enrollment trends and class offerings?
 - g. College's Overall Educational Program Evaluation
 - i. Is a college's enrollment and fiscal plan consistent with its overall educational program mission?
2. Information to be Used to Perform the Assessment
- a. College's Self- Assessment and Review Apportionment Attendance Report Enrollment Projection
 - b. Instructional Measures (FTES/FTEF) Average Class Size
 - c. FTES and Expenditures ranking
 - d. College Quarterly Financial Status Report Monthly Projection and College Financial Plan Unrestricted General Fund by Activity
 - e. College Expenditure Trends over last five years Full Time Faculty Hiring Obligation
 - f. Release Times and Reassigned Times
 - g. Other Available Information (Enrollment data, Fiscal Data, Staffing Plan, etc...)
3. Other Suggested Criteria:
- a. FTES per FTEF by discipline

Los Angeles Community College District
Unrestricted General Fund – Allocation Model

- b. Percentage of Weekly Faculty Contact Hours (WFCH) taught by full-time and part-time faculty
Cost per FTES for each program and compared with other colleges and districts Adequate/Proper
Reserve Level or Ending Balance
 - c. Cost reduction measures to preserve revenues and mitigate further potential deficits
 - d. Metrics used for the Student Centered Action Plan (SCAP)
4. Other Items for Discussion
- a. Deficit repayment schedule
 - b. Emergency loans for financial relief
 - c. Required actions to curtail and manage spending if certain conditions exist

Debt Remaining Balance (LACC/LAHC/LASC)

Data since 2014-15 with rollover outstanding debt from year end 2013-14

LACC- Unrestricted General Fund	Total	2016-17 UGF	(assumes the same revenues as 2016-17 COLA for simulation purposes)								
	Debt	1% 21-22 PMT	1% 22-23 PMT	1% 23-24 PMT	1% 24-25 PMT	1% 25-26 PMT	1% 26-27 PMT	1% 27-28 PMT	1% 28-29 PMT	1% 29-30 PMT	1% 30-31 PMT
Deficit	\$ (9,022,324)	\$ (4,400,853)	\$ (3,795,024)	\$ (3,189,195)	\$ (2,583,366)	\$ (1,977,537)	\$ (1,371,708)	\$ (765,879)	\$ (160,050)		
Debt Repayment	\$ (4,621,471)	\$ 605,829	\$ 605,829	\$ 605,829	\$ 605,829	\$ 605,829	\$ 605,829	\$ 605,829	\$ 605,829	\$ 160,050	
Total Remaining Debt	\$ (4,400,853)	\$ (3,795,024)	\$ (3,189,195)	\$ (2,583,366)	\$ (1,977,537)	\$ (1,371,708)	\$ (765,879)	\$ (160,050)	\$ 0		
<hr/>											
LAHC- Unrestricted General Fund	Total	2016-17 UGF Fundin	(assumes the same revenues as 2016-17 COLA for simulation purposes)								
	Debt	1% 21-22 PMT	1% 22-23 PMT	1% 23-24 PMT	1% 24-25 PMT	1% 25-26 PMT	1% 26-27 PMT	1% 27-28 PMT	1% 28-29 PMT	1% 29-30 PMT	1% 30-31 PMT
Deficit	\$ (11,679,737)	\$ (6,394,487)	(6,043,040)	(5,691,593)	(5,340,146)	(4,988,699)	(4,637,252)	(4,285,805)	(3,934,358)	(3,582,911)	(3,231,464)
Debt Repayment	\$ (5,285,250)	351,447	351,447	351,447	351,447	351,447	351,447	351,447	351,447	351,447	351,447
Total Remaining Debt	\$ (6,394,487)	(6,043,040)	(5,691,593)	(5,340,146)	(4,988,699)	(4,637,252)	(4,285,805)	(3,934,358)	(3,582,911)	(3,231,464)	(2,880,017)
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LASC- Unrestricted General Fund	Total	2016-17 UGF	(assumes the same revenues as 2016-17 COLA for simulation purposes)								
	Debt	1% 21-22 PMT	1% 22-23 PMT	1% 23-24 PMT	1% 24-25 PMT	1% 25-26 PMT	1% 26-27 PMT	1% 27-28 PMT	1% 28-29 PMT	1% 29-30 PMT	1% 30-31 PMT
Deficit	\$ (13,330,686)	\$ (9,909,590)	(9,603,371)	(9,297,152)	(8,990,933)	(8,684,714)	(8,378,495)	(8,072,276)	(7,766,058)	(7,459,839)	(7,153,620)
Debt Repayment	\$ (3,421,096)	306,219	306,219	306,219	306,219	306,219	306,219	306,219	306,219	306,219	306,219
Total Remaining Debt	\$ (9,909,590)	(9,603,371)	(9,297,152)	(8,990,933)	(8,684,714)	(8,378,495)	(8,072,276)	(7,766,058)	(7,459,839)	(7,153,620)	(6,847,401)

NOTE: Assumes balancing the budget and no additional debt.



LOS ANGELES COMMUNITY COLLEGE DISTRICT

2018-19 Third Quarter 311Q Report

District Budget Committee May 15, 2019

Projected Ending Balance

Projected Revenue	\$686.1 million
Projected Expenditures	<u>\$685.4 million</u>
Projected Revenue vs Expenditures	\$ 0.7 million
Balances Carried Forward for 2018-19	\$125.8 million
Adjustment to Beg Bal	\$ (.1) million
Projected Ending Balance	\$126.4 million
Percent of Projected Expenditures	18.4%

Projected Reserves

General Reserve (6.5%)	43,540,805
Contingency Reserve (3.5%)	22,333,083
Deferred Maintenance	0
Balances/Open Orders	29,820,135
STRS/PERS Reserve	<u>30,730,000</u>
Total Projected Reserves as of June 30, 2019	126,424,023

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

Quarterly Financial Status Report, CCFS-31 IQ

VIEW QUARTERLY DATA

CHANGE THE PERIOD ▼

Fiscal Year: 2018-2019

District: (740) LOS ANGELES

Quarter Ended: (Q3) Mar 31, 2019

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2015-16	Actual 2016-17	Actual 2017-18	Projected 2018-2019
I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:					
A.	Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	691,288,374	648,914,685	682,597,538	686,082,298
A.2	Other Financing Sources (Object 8900)	534,779	3,974	902,034	0
A.3	Total Unrestricted Revenue (A.1 + A.2)	691,823,153	648,918,659	683,499,572	686,082,298
B.	Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	612,454,579	644,446,292	644,876,113	664,891,323
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	23,999,370	21,729,434	22,742,166	20,517,977
B.3	Total Unrestricted Expenditures (B.1 + B.2)	636,453,949	666,175,726	667,618,279	685,409,300
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	55,369,204	-17,257,067	15,881,293	672,998
D.	Fund Balance, Beginning	76,299,525	133,215,513	113,068,270	125,761,234
D.1	Prior Year Adjustments + (-)	1,546,784	-2,890,176	-3,188,329	-10,209
D.2	Adjusted Fund Balance, Beginning (D + D.1)	77,846,309	130,325,337	109,879,941	125,751,025
E.	Fund Balance, Ending (C. + D.2)	133,215,513	113,068,270	125,761,234	126,424,023
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	20.9%	17%	18.8%	18.4%

II. Annualized Attendance FTES:

G.1	Annualized FTES (excluding apprentice and non-resident)	107,601	107,978	99,994	98,000
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III. Total General Fund Cash Balance (Unrestricted and Restricted)

	Description	As of the specified quarter ended for each fiscal year			
		2015-16	2016-17	2017-18	2018-2019
H.1	Cash, excluding borrowed funds		221,041,353	234,749,715	206,038,785
H.2	Cash, borrowed funds only		0	0	0
H.3	Total Cash (H.1+ H.2)	186,614,296	221,041,353	234,749,715	206,038,785

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
I. Revenues:					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	669,858,543	675,200,885	502,442,181	74.4%
I.2	Other Financing Sources (Object 8900)	0	0	0	
I.3	Total Unrestricted Revenue (I.1 + I.2)	669,858,543	675,200,885	502,442,181	74.4%
J. Expenditures:					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	788,293,115	780,446,704	480,338,756	61.5%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	7,326,662	20,517,977	20,517,977	100%
J.3	Total Unrestricted Expenditures (J.1 + J.2)	795,619,777	800,964,681	500,856,733	62.5%
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	-125,761,234	-125,763,796	1,585,448	
L	Adjusted Fund Balance, Beginning	125,761,234	125,763,796	112,523,927	
L.1	Fund Balance, Ending (C. + L.2)	0	0	114,109,375	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	0%	0%		

V. Has the district settled any employee contracts during this quarter? **NO**

If yes, complete the following: (If multi-year settlement, provide information for all years covered.)

Contract Period Settled (Specify) YYYY-YY	Management		Academic				Classified	
	Total Cost Increase	% *	Permanent		Temporary		Total Cost Increase	% *
			Total Cost Increase	% *	Total Cost Increase	% *		
a. SALARIES:								
Year 1:								
Year 2:								
Year 3:								
b. BENEFITS:								
Year 1:								
Year 2:								
Year 3:								

* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)? **NO**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII. Does the district have significant fiscal problems that must be addressed? **NO**
This year? **NO**
Next year? **NO**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

Los Angeles Community College District
2019-20 Budget Projection Additions/(Deletions)
May 10, 2019

Description	Final Signed Budget 2018-19		Governor's January Proposal 2019-20		Governor's May Revise 2019-20		Jan vs May Change to LACCD
	System	LACCD	System	LACCD	System	LACCD	
General Fund							
Increased Access (.55% in FY2019-20; 1% in FY2018-19) ^[1]	60,000,000	5,800,000	26,000,000	2,400,000	25,000,000	2,200,000	(200,000)
COLA (3.26% in FY2019-20; 2.71% in FY2018-19) ^[1]	173,100,000	16,400,000	248,300,000	22,600,000	230,000,000	20,300,000	(2,300,000)
Funding Formula Transition	269,000,000	?	-	-	-	-	-
Apprenticeship	-	-	-	-	-	-	-
Full Time Faculty Funding	50,000,000	4,800,000	-	-	-	-	-
Total Ongoing Base Increase	552,100,000	27,000,000	274,300,000	25,000,000	255,000,000	22,500,000	(2,500,000)
Categorical/Restricted							
COLA for EOPS, DSPS, CALWorks, Child Care tax bailout ^[1]	8,059,000	800,000	14,000,000	1,300,000	13,000,000	1,200,000	(100,000)
Strong Workforce	-	-	(77,000,000)	-	(1,000,000)	-	-
Certified Nursing Assistant	2,000,000	-	-	-	-	-	-
Proposition 39	-	-	-	-	-	-	-
Adult Ed Data Sharing	5,000,000	-	-	-	-	-	-
Adult Ed - COLA	22,500,000	211,000	-	-	-	-	-
Scheduled Main/Instructional Equipment	28,500,000	2,700,000	-	-	40,000,000	3,600,000	3,600,000
CCCCO System Office	2,000,000	-	5,500,000	-	5,500,000	-	-
Innovation Awards (grant based)	-	-	-	-	-	-	-
Online Education Initiative - system office	120,000,000	-	-	-	-	-	-
College Promise ^[1]	46,000,000	4,400,000	40,000,000	3,600,000	45,000,000	4,000,000	400,000
Total Categorical/Restricted	234,059,000	8,111,000	(17,500,000)	4,900,000	102,500,000	8,800,000	3,900,000
Other/one time							
Cal Grant B (to Students)	40,700,000	-	11,000,000	-	18,000,000	-	-
Apprenticeship (one-time)	36,500,000	336,000	-	-	-	-	-
Open Educational Resources	6,000,000	-	-	-	-	-	-
Course Identification Numbering	685,000	-	-	-	-	-	-
Next Up (CAYFES)	5,000,000	-	-	-	-	-	-
New Financial Aid System - system office	18,500,000	-	-	-	-	-	-
P Tech	10,000,000	-	-	-	-	-	-
Re-entry for formerly incarcerated	5,000,000	-	-	-	-	-	-
Career Readiness for Refugees	5,000,000	-	-	-	-	-	-
Online Education Initiative	35,000,000	-	-	-	-	-	-
Part Time Faculty Office Hours ^[1]	50,000,000	4,800,000	-	-	-	-	-
Legal Services for Undocumented	10,000,000	-	10,000,000	-	10,000,000	-	-
Mental Health Services ^[1]	10,000,000	1,000,000	-	-	-	-	-
Hunger Free Campuses ^[1]	10,000,000	1,000,000	-	-	-	-	-
Veterans Resource Center ^[1]	8,500,000	800,000	-	-	-	-	-
Total Other/One Time	250,885,000	7,936,000	21,000,000	-	28,000,000	-	-
Grand Total	1,037,044,000	43,047,000	277,800,000	29,900,000	385,500,000	31,300,000	1,400,000

^[1] Projected amount is based on the proportional share of LACCD Total Computational Revenue to the State system, currently 9.0%.

Los Angeles Community College District
District Budget Committee

2019-2020
Proposed Tentative Budget

May 15, 2019

Impact on LACCD Based on Governor's May Revise

New State Funding Formula:

- District "held harmless" to 2018-19 State Apportionment plus COLA

Unrestricted General Fund (for General Operations):

- \$20.3 million (3.26%) COLA
- Funded Growth Revenue (0%)

Restricted General Fund:

- \$1.2 million (3.26%) COLA for EOPS, DSPS, CALWorks, Child Care tax bailout, Adult Ed
- \$3.6 million in Scheduled Maintenance & Instructional Equip

Budget Planning Assumptions

- Based on Governor's May Revise
- Revenue Assumptions:
 - Hold Harmless State Apportionment of \$622.3 million
 - COLA of \$20.3 million
 - Funded Enrollment Growth of 0%
 - Maintain a 6.5% General Reserve and a 3.5% Contingency Reserve
 - No distribution of the projected balances until year end

2018-19 Allocation Assumptions

- Total General Fund Unrestricted Budget Allocations – \$820 million
- \$90.2 million of the EPA fund distribution and \$20.3 million in COLA
- College Allocations - \$544.3 million
- Districtwide Accounts are budgeted at \$93.5 million
- Educational Services Center (\$31.1 million) and Information Technology (\$12.1 million) Allocations
- Contingency Reserve (3.5%) - \$24.3 million
- General Reserve (6.5%) - \$45.1 million
- Deferred Maintenance Reserve (2.0%) - \$13.9 million
- STRS/PERS Reserve - \$18.1 million
- Projected location ending balance = \$29.8 million. No distribution of the projected balances until year end



LOS ANGELES COMMUNITY COLLEGE DISTRICT

CITY / EAST / HARBOR / MISSION / PIERCE / SOUTHWEST / TRADE-TECHNICAL / VALLEY / WEST

HUMAN RESOURCES

	LOC	POSITION / NOIs Received	<i>NOIs Pending</i>
1	C	Accounting	
2	C	Cinema and TV – Cinema (Production)	
3	C	Communication Studies	
4	C	Counseling, DSPS – OSS/DSPS	
5	C	Counseling, General - Onboarding	
6	C	Counseling, General - Retention	
7	C	Multimedia (Animation)	
8	C	Nursing, Reg - Mental Health/Med-Surgical Emphasis	
9	C	Nursing, RN (Med/Surg)	
10	C	Physics and Engineering	
11	C	Psychology	
12	C	Radiologic Technology	
13	C	Spanish	
14	C	Theatre Arts Technical Theatre (Scenic Design)	
1	E	Accounting	
2	E	American Sign Language	
3	E	Biological Sciences	
4	E	Biological Sciences (Anatomy/Physiology)	
5	E	Child Development Center Teacher	
6	E	Computer Information Systems	
7	E	Counselor, General – College Promise	
8	E	Counselor, General – Financial Aid	
9	E	Counselor, General – First Year Program	
10	E	Counselor, General – Transfer & Completion	
11	E	Earth Science	
12	E	Kinesiology	

	LOC	POSITION / NOIs Received	<i>NOIs Pending</i>
13	E	Law	
14	E	Political Science	
15	E	Psychology	
16	E	Theater Arts	
1	H	Business	
2	H	Computer Information Systems	
3	H	Counselor, General – Adult Educ Noncredit	
4	H	Counselor, EOPS/CAFYES	
5	H	Counselor, General – Dreamers	
6	H	Counselor, General – Transfer	
7	H	Disability Specialist	
8	H	Nursing	
9	H	Sociology	
1	M	Allied Health CNA Program	
2	M	Art	
3	M	Biological Sciences (Anatomy/Physiology)	
4	M	Communication Studies	
5	M	Consulting Instructor, DSPS	
6	M	Counselor, General – (0.5 Athletics / 0.5 Risk)	
7	M	Kinesiology	
8	M	Nutritional Science	
1	P	Art History	
2	P	Biological Sciences	
3	P	Biological Sciences (Anatomy & Physiology)	
4	P	Chemistry	
5	P	Chicano Studies	
6	P	Economics	
7	P	Mathematics	
8	P	Political Science	

	LOC	POSITION / NOIs Received	NOIs Pending
1	S	Computer Science	
2	S	Counselor, General	
3	S	History	
4	S	Spanish	
1	T	Art	<i>Auto Collision</i>
2	T	Carpentry	<i>Automotive</i>
3	T	Cosmetology	<i>Disability Specialist</i>
4	T	Culinary Arts	<i>History</i>
5	T	English	<i>Learning Skills/ Noncredit</i>
6	T	Fashion Design	<i>Pathway Counselor</i>
7	T	Librarian	
8	T	Visual Communications	
1	V	Chemistry	
2	V	Chicano Studies	
3	V	Computer Science	
4	V	Counselor, General - Black Scholars	
5	V	Counselor, General - Dream Resource Center	
6	V	English	
7	V	Humanities	
8	V	Kinesiology	
9	V	Learning Disability Specialist	
10	V	Manufacturing & Industrial Technology	
11	V	Mathematics	
12	V	Nursing, Registered (Pediatrics)	
13	V	Political Science	
14	V	Sociology	

	LOC	POSITION / NOIs Received	NOIs Pending
1	W	Biology Sciences (Microbiology)	
2	W	Child Development Instructor	
3	W	Film/TV Production #1	
4	W	Film/TV Production #2	
5	W	Librarian – Emphasis Systems/Acquisitions	
6	W	Psychology	

Quick Count Summary	
LOC	NOIs
C	14
E	16
H	9
M	8
P	8
S	4
T	8
V	14
W	6
TOTAL	87

SUMMER 2019: Credit Enrollment Comparison

Census day for most classes: 6/13 & 6/16-18 for Summer 1 and 7/18-21 for Summer 2

Day
-27

Day relative to beginning of instruction

Tuesday, May 14, 2019

Tuesday, May 15, 2018

HEADCOUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Summer 2019	4,138	8,075	2,286	2,469	5,882	1,898	2,981	4,087	3,743	35,559
Summer 2018	3,782	7,738	1,962	2,129	5,550	1,600	2,726	4,503	3,305	33,443
2019 % of 2018	109%	104%	117%	116%	106%	119%	109%	91%	113%	106%

ENROLLMENT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Summer 2019	5,891	11,976	2,994	3,256	8,626	2,867	4,131	5,777	5,354	50,872
Summer 2018	5,242	11,384	2,600	2,812	8,202	2,575	3,718	6,312	4,749	47,756
2019 % of 2018	112%	105%	115%	116%	105%	111%	111%	92%	113%	107%

SECTION COUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Summer 2019	284	564	99	143	353	123	290	286	251	2,393
Summer 2018	293	584	96	141	394	111	335	297	259	2,546
2019 % of 2018	97%	97%	103%	101%	90%	111%	87%	96%	97%	94%

Enrollment divided by Section	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Summer 2019	20.7	21.2	30.2	22.8	24.4	23.3	14.2	20.2	21.3	21.3
Summer 2018	17.9	19.5	27.1	19.9	20.8	23.2	11.1	21.3	18.3	18.8
2019 % of 2018	116%	109%	112%	114%	117%	100%	128%	95%	116%	113%

¹ Source: LACCD Student Information System, PS_CLASS_TBL, PS_STDNT_ENRL tables.

² Enrollment and Section count: Includes Credit PA, WSCH, DSCH, Ind Study, and Work Exp. Excludes Non-Credit Adult Ed and Non-Credit Tutoring. 2018 Section count reflects the information as of the end of the term (instead of the relative day listed above). 2018 headcount, enrollment, and section count totals include ITV.

³ Headcount, Enrollment and Section Count numbers for East exclude In-Service Training (IST) classes.

⁴ Enrollment registration for Summer 2018 started approximately 1 week later comparing to registration for Summer 2019. Open enrollment registration for Summer 2018 started on 5/14/18, whereas it is 5/6/2019 for Summer 2019.

FALL 2019: Credit Enrollment Comparison

Census day for Fall 2019 (WSCH) is September 9

Day
-104

Day relative to beginning of instruction

Tuesday, May 14, 2019

Tuesday, May 15, 2018

HEADCOUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Fall 2019	1,846	3,263	1,079	1,128	3,217	524	1,165	2,616	897	15,735
Fall 2018	1,737	3,858	1,058	1,130	3,396	624	1,305	3,103	996	17,239
2019 % of 2018	106%	85%	102%	100%	95%	84%	89%	84%	90%	91%

ENROLLMENT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Fall 2019	4,388	8,870	2,675	2,644	8,653	1,177	2,775	6,274	1,812	39,268
Fall 2018	4,137	9,943	2,613	2,520	9,092	1,420	2,996	7,556	2,036	42,356
2019 % of 2018	106%	89%	102%	105%	95%	83%	93%	83%	89%	93%

SECTION COUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Fall 2019	1,319	2,182	776	619	1,618	504	1,172	1,476	922	10,588
Fall 2018	1,325	2,297	769	707	1,642	465	1,237	1,460	921	10,907
2019 % of 2018	100%	95%	101%	88%	99%	108%	95%	101%	100%	97%

Enrollment divided by Section	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	Total
Fall 2019	3.3	4.1	3.4	4.3	5.3	2.3	2.4	4.3	2.0	3.7
Fall 2018	3.1	4.3	3.4	3.6	5.5	3.1	2.4	5.2	2.2	3.9
2019 % of 2018	107%	94%	101%	120%	97%	76%	98%	82%	89%	96%

¹ Source: LACCD Student Information System, PS_CLASS_TBL, PS_STDNT_ENRL tables.

² Enrollment and Section count: Includes Credit PA, WSCH, DSCH, Ind Study, and Work Exp. Excludes Non-Credit Adult Ed and Non-Credit Tutoring. 2018 Section count reflects the information as of the end of the term (instead of the relative day listed above). 2018 headcount, enrollment, and section count totals include ITV.

³ Headcount, Enrollment and Section Count numbers for East exclude In-Service Training (IST) classes.