

Membership**Academic Senate**

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

Faculty Guild

Nabeel Barakat
Joseph Guerrieri
Sandra Lee
John McDowell
Olga Shewfelt
Joanne Waddell

Unions/Association

Kathleen Becket
Velma Butler/Shirley Chen
Iris Ingram
Paulina Palomino
Hao Xie
Vacant-Build& Const Trade

College Presidents

Kathleen F. Burke*
Erika A. Endrijonas
Larry Frank
Mary Gallagher **
Otto W. Lee
James M. Limbaugh
Marvin Martinez
Denise Noldon**
Monte Perez

**STUDENT TRUSTEE
REPRESENTATIVE**

James Ingram

* Co-chairs

**Interim

District Budget Committee
February 14, 2018
1:30 pm – 3:30 pm
Educational Services Center, Board Room

1. Call to Order (*Co-Chair Jeff Hernandez*)
2. Approval of Agenda
3. Approval of Minutes for January 31, 2018
4. Chancellor's Remarks/Updates
5. ECDBC Reports and Recommendations
6. Enrollment Update (Cornner)
7. FON Update and Discussion (Román)
8. 2018-19 Proposed Preliminary Allocation (Gordon)
9. 2nd Quarter Financial Status 311Q (Gordon)
10. Periodic Review of ESC Budget (Hernandez)
11. District Planning Committee (DPC) Report out (Cornner)
12. DBC Recommendations to the Chancellor
13. Items to Be Addressed by ECDBC
14. Other Business

Future DBC Meetings: Mar 14, Apr 11, May 16, Jun 13

Future ECDBC Meetings: Mar 27, Apr 24, May 29, Jun 26

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

January 31, 2018

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

Roll Call X Indicates Present

Academic Senate

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

L.A. Faculty Guild

Nabeel Barakat	
Joseph Guerrieri	X
Sandra Lee	X
John McDowell	X
Olga Shewfelt	X
Joanne Waddell	

Unions/Association

Kathleen Becket (Christzann Ozan); SEIU Local 99	X
Velma Butler/Shirley Chen Page; AFT Staff Guild	X
Paulina Palomino; Local 911 Teamster	X
Iris Ingram; Class Mgmt. Rep	
Hao Xie (Robert Medina); Sup Rep Local 721	X
(Vacant)-Build & Trade	

College Presidents

Kathleen F. Burke*	X
Erika A. Endrijonas	X
Larry Frank	X
Mary Gallagher**	X
Otto W. Lee	X
James M. Limbaugh	X
Marvin Martinez	X
Denise Noldon**	X
Monte Perez (Daniel Villanueva)	X

Student Trustee Rep

vacant

* DBC CO-chairs

** Interim

Also Present

Resource Persons

Chancellor Rodriguez
 Ryan Cornner
 Jeanette Gordon
 Deborah La Teer
 Bob Miller
 Albert Román

Guests

Violet Myeshia	Amrikhas Armstrong	Fernando Maury	Oleas Pearl
Grace Paul	Chee De La Cerda	Jeffrey Rolf	Prieto Schleicher
Murrell Andra	Green Hoffman	Pamela Sarah	Sanford Song
Mike	Lee		

1. **Call to Order** by Kathleen F. Burke at 1:40pm.
2. **Approval of Agenda** – Approved with change. Move Item #5 “**ECDBC Reports and Recommendations**” to Item #10.
3. **Approval of Minutes for November 8, 2017** – Approved with no changes.
4. **Chancellor’s Remarks/Updates**
 - Board of Trustees member Andra Hoffman was in attendance and is providing leadership in a variety of areas including leading the Board’s taskforce on Title IX – Sexual Harassment. The group met for the third time this morning and will continue to meet throughout the semester. The taskforce will bring recommendations to the Board of Trustees in the June meeting.
 - Los Angeles Valley College, partnered with the Family Resource Center and the Workforce Development, was up for a Bellwether Award. They were one of the top ten finalists selected out of a pool of 1,200+ applicants and are to be recognized.
 - The Governor presented his first budget proposal for the 2018-19 year and community colleges will receive a 4% increase.
 - There are discussions being held that will change the FTES formula. The new proposed formula would be based on 50% FTES, 25% Poverty Factors, and 25% completion of degrees and certificates. The District has not evaluated the new proposed formula yet, but the reliance on the FTES formula is fading. This new proposed formula is expected to be implemented by the July 1st 2018 cycle.
 - The Chancellor would like to see an inclusion of academic under-preparedness of students in the poverty factors portion of the formula. In the IESS presentation from the Board, the student success score card showed that LACCD colleges outnumber the state average of under preparedness by 10-15 points. Without this, the new formula would be a disservice to our students and would disproportionately affect LACCD.
 - There are discussions of creating the 115th California Community College as a completely online college to attract 2.5 million students with high school degrees, but limited college education. The consternation on this new college is around the governance, the curriculum, the accreditation, the faculty, and other factors.
 - Assembly Bill 288 that was passed a few years ago does not include a provision to allow community colleges to offer courses at charter schools. There are efforts to amend the bill to include this provision.
 - There are efforts asking the State Legislature to push for a work study program for DACA students.
 - Students are currently eligible to receive Cal Grants for four years. An extension of the eligibility for Cal Grants to six years is being sought.
 - Enrollment is down across the state. However, LACCD enrollment is down double digits compared to other districts.
5. **ECDBC Reports and Recommendations**
 - Postponed to the February 14th DBC meeting.
6. **Enrollment Update (Cornner)**
 - LACCD is 11% down in headcount, 14% down in enrollment, and 7% down in section count year over year. The current estimate appears to be 7-8% reduction for Spring 2018. There is an increase of approximately 132 late start courses added to the schedule for Spring 2018 compared to the previous year, which will pick up additional students as they filter into the classes.
 - Traditionally, enrollment picks up one to two points every single day, but enrollment has been stagnant. LACCD will get closer to base, but not nearly as close as hoped for.
 - **Identify and Address Gaps in SIS Implementation**
 - a. Motion to recommend to the Chancellor the establishment of an Emergency Enrollment Crisis Response Strike Team with representation of all constituents approved.

- **Caution on cancelling sections; maintain completion numbers**
 - a. Due to the emphasis on outcomes in the new funding formula, colleges will need to take caution in cancelling low enrollment sections that are essential for degrees and certificates as students can take these courses at other community colleges.

8. 2018-19 Governor’s Budget (Miller)

- The Governor is proposing \$175 million to provide hold harmless money to help with the transition to the new budget formula. Discussions for the new formula are just beginning and the percentages for the formula may change. T
- Total Computational Revenue (TCR) will be held to 2017-2018. Due to LACCD being in stability and reporting 107,900 FTES, a certain level of transitional dollars will help keep LACCD whole going into 2018-19. This transitional funding will be ongoing.
- Discussions on bundling categorical programs such as SSSP, Basic Skills, Student Equity, and others into a basic grant.
- The legislature will release the budget language as it relates to the funding formula by Thursday and simulations will be run after.
- LACCD is projected to receive approximately \$26 million one-time money for deferred maintenance and instruction support.
- AB19, California College Promise, was funded with \$46 million to cover all Dreamer and DACA students.
- The Governor has proposed establishing the 115th California Community College to provide online courses to 2.5 million working adults who cannot take advantage of courses and programs on traditional calendars. He believes that the online community college will not cannibalize the other 114 colleges.
- The fiscal impact of the Governor’s budget is projected at \$69.5 million to the District.

9. FON Update and Discussion (Román)

- The District met its FON obligation for 2017-18.
- The Fall 2018 FON advanced number is 1,647.8 and the number of faculty hires needed to reach this target is 129. Distribution of this 129 new hires to the various colleges is still under discussion.
- FON obligation is dependent on FTES. With expected FTES being lower in upcoming years, the FON obligation will decrease, but by hiring all 129 new hires now, every college would need to take measures to find savings in other areas to budget for these positions.
- An Extra ECDBC meeting to discuss this will be held before the February 14 DBC meeting.
- Motion to postpone FON discussion to February 14 DBC meeting approved with one opposed and two abstentions.

10. 2017-18 First Quarter Financial Status Report (Gordon)

- Supporting documents presented.

11. Periodic Review of ESC Budget (Hernandez)

- Postponed to the February 14th DBC meeting.

12. District Planning Committee (DPC) Report out (Cornner)

- Postponed to the February 14th DBC meeting.

13. DBC Recommendations to the Chancellor

- Creation of the “Emergency Enrollment Crisis Response Strike Team”

14. Items to Be Addressed by ECDBC

- Item to be addressed by ECDBC – “FON Hiring”

15. Other Business

- No other business.

The meeting was adjourned at 3:40pm.

Future DBC Meetings: Feb 14, Mar 14, Apr 11, May 16, Jun 13

Future ECDBC Meetings: Feb 8, Feb 27, Mar 27, Apr 24, May 29, Jun 26

Los Angeles Community College District
2018-19 Proposed Preliminary Budget Allocations

- **The Preliminary Budget Allocation was developed utilizing the current District Allocation Model. Growth Revenue of 1% (5.8 million) and any base increase has not been distributed pending the finalization of the new State Funding Model.**

- **Revenue Assumptions:**
 - Base Revenue is projected at \$526.6 million, excluding the Education Protection Act (EPA).
 - EPA fund is projected at \$78.2 million.
 - COLA is estimated at 2.51% or \$15.2 million.
 - Nonresident tuition is estimated at \$12.3 million.
 - Lottery revenue is estimated at \$16.3 million.
 - Part-time faculty compensation is estimated at \$2.2 million.
 - State Mandate block grant is estimated at \$3.0 million
 - Interest revenue is estimated at \$2.2 million.
 - Dedicated revenue is estimated at \$7.6 million projected by colleges.
 - Other state revenue is estimated at \$2.6 million.

- **Allocation Assumptions:**
 - Total budget allocations are \$775.8 million.
 - Total college allocations are at \$535.1 million.
 - General Reserve remains at 6.5 percent of total projected Unrestricted General Fund, or \$43.6 million
 - Contingency Reserve is established at 3.5 percent of total projected Unrestricted General Fund revenue, or \$23.5 million. Colleges are required to set aside in their budgets a 1 percent reserve. The reserve should only be used for unanticipated emergency events upon the Chancellor's approval.
 - Deferred Maintenance Reserve is established at 2 percent of projected Unrestricted General Fund or \$13.4 million.
 - ESC allocation (excluding Information Technology) is at \$28.0 million.
 - Information Technology is at \$11.6 million.
 - No distribution of the projected balances at this time.
 - Centralized Services are funded at \$75.5 million.

2018-2019 PRELIMINARY BUDGET
Funds Available for 2018-2019
Unrestricted General Fund

	2017-2018	2018-2019	DIFFERENCE
	FINAL BUDGET (COLA@1.56%, Gr@1.00%)	PRELIMINARY BUDGET (COLA@2.51%, Gr@1.00%)	
Base (excluding EPA Funds)	501,476,028	526,639,708	25,163,680
Base Allocation Increase	16,009,353	0	(16,009,353)
EPA Funds	78,197,646	78,197,655	9
COLA	9,042,909	15,181,420	6,138,511
Growth	5,516,487	5,809,847	293,360
Lottery	16,346,000	16,346,000	0
Non-Resident	11,452,459	12,272,943	820,484
Apprenticeship	163,431	163,431	0
Part-time Faculty Compensation	2,228,909	2,228,908	(1)
On-Going State Mandate Block Grant	3,023,000	3,024,000	1,000
One-Time State Mandate Reimbursement	0	0	0
Full-Time Faculty Hiring	0	0	0
Part-time Office Hours	2,694,482	2,694,482	0
Local			0
Interest	2,193,000	2,193,000	0
Dedicated Revenue	6,681,846	7,660,264	978,418
TOTAL INCOME	655,025,550	672,411,658	17,386,108
Fund Balances			
Open Orders	4,584,279	0	(4,584,279)
General Reserve (Carryforward Balance from prior year)	42,576,661	43,706,758	1,130,097
Other Fund Balance	65,907,330	59,706,214	(6,201,116)
Total Fund Balance	113,068,270	103,412,972	(9,655,298)
TOTAL PROJ FUNDS AVAILABLE	768,093,820	775,824,630	7,730,810

**2018-2019 PRELIMINARY BUDGET
UNRESTRICTED GENERAL FUND**

	2017-2018	2017-2018	2018-2019	
	FINAL BUDGET W/ DISTRIBUTED BALANCES	FINAL BUDGET W/O DISTRIBUTED BALANCES	PRELIMINARY BUDGET	DIFFERENCE
City	57,394,933	57,394,933	62,027,609	4,632,676
East	117,903,493	111,390,773	121,480,111	10,089,338
Harbor	33,458,586	33,458,586	36,544,956	3,086,370
Mission	34,154,080	33,812,245	36,017,064	2,204,819
Pierce	74,797,480	70,825,644	75,284,392	4,458,748
Southwest	28,670,952	28,670,952	30,759,063	2,088,111
Trade-Tech	59,446,098	59,318,758	63,545,232	4,226,474
Valley	62,809,203	59,690,346	64,335,628	4,645,282
West	43,829,817	40,623,812	43,497,206	2,873,394
ITV	1,496,123	1,496,123	1,594,373	98,250
College Total	513,960,765	496,682,172	535,085,634	38,403,462
Educational Services Center	28,105,550	27,147,181	28,024,175	876,994
Information Technology	11,731,046	11,259,743	11,622,335	362,592
Centralized & Other	83,011,144	75,079,461	75,531,356	451,895
Contingency Reserve	22,925,894	22,925,894	23,534,408	608,514
General Reserve	42,576,661	42,576,661	43,706,758	1,130,097
STRS/PERS Reserve	26,900,000	26,900,000	19,400,000	(7,500,000)
Other District-wide	13,319,238	6,750,033	7,989,156	1,239,123
Van de Kamp Innovation	1,538,889	1,069,502	1,050,834	(18,668)
Supplemental Retirement (SRP)	5,407,633	5,407,633	5,407,633	0
Funds for Deferred Maint	13,100,511	13,100,511	13,448,233	347,722
Undistributed Balance	5,516,489	39,195,029	11,024,108	(28,170,921)
TOTAL	768,093,820	768,093,820	775,824,630	7,730,810

2018-2019 PRELIMINARY BUDGET

	Minimum Base Rev	Base Rev Remaining For Distrib	EPA Funds	COLA 2.51%	Growth Revenue	Other State/Local	Apprentice	On-Going St Mand Blk Gr	Lottery	Non-Resident	Dedicated Revenue	TOTAL REVENUES	Budget For Assessmts	SRP	Faculty Overbase	Centrl at Colleges	BUD ALLOC w/o BAL	Balances	PERS/STRS Contingency	BUDGET ALLOCATION	Debt Repay	BUDGET ALLOCATION
City	12,867,190	49,397,264	8,942,502	1,731,480	0	600,436	0	345,819	1,899,223	2,100,000	757,136	78,641,050	(14,774,482)	(763,197)		0	63,103,371	0	842,618	63,945,989	(1,918,380)	62,027,609
East	15,298,666	103,653,311	19,328,687	3,647,082	0	1,103,463	0	747,464	4,079,389	3,954,214	908,609	152,720,885	(31,892,235)	(768,127)	40,170	0	120,100,693	0	1,379,418	121,480,111	0	121,480,111
Harbor	7,757,618	27,938,582	4,812,120	973,292	0	382,557	0	186,091	1,006,545	700,000	1,664,169	45,420,974	(7,884,212)	(400,944)	9,270	0	37,145,088	0	530,124	37,675,212	(1,130,256)	36,544,956
Mission	7,153,572	28,379,853	4,929,092	989,667	0	322,063	0	190,614	1,016,002	393,750	293,443	43,668,056	(7,911,783)	(365,728)	29,664	89,928	35,510,137	0	506,927	36,017,064	0	36,017,064
Pierce	12,043,029	61,824,052	11,319,847	2,170,192	0	713,479	0	437,752	2,353,576	1,650,000	708,222	93,220,149	(18,381,932)	(517,399)		0	74,320,818	0	963,574	75,284,392	0	75,284,392
Southwest	7,841,069	23,042,726	3,893,237	800,884	0	290,981	0	150,556	798,165	380,037	471,842	37,669,497	(6,204,751)	(209,895)		0	31,254,851	0	455,523	31,710,374	(951,311)	30,759,063
Trade-Tech	11,279,127	51,183,787	9,226,271	1,793,130	0	430,148	163,431	356,791	1,904,614	600,000	529,523	77,466,822	(14,900,255)	(547,249)	683,245	0	62,702,563	0	842,669	63,545,232	0	63,545,232
Valley	11,387,664	52,483,507	9,433,894	1,838,011	0	645,403	0	364,820	1,942,530	600,000	447,744	79,143,573	(15,258,958)	(543,093)	14,832	133,568	63,489,922	0	845,706	64,335,628	0	64,335,628
West	7,734,816	33,765,279	6,002,114	1,180,840	0	434,860	0	232,109	1,282,194	1,868,635	824,073	53,324,920	(9,959,783)	(472,856)	15,450	0	42,907,731	0	589,475	43,497,206	0	43,497,206
ITV	0	1,608,596	309,891	56,842	0	0	0	11,984	63,762	26,307	4,669	2,082,051	(502,202)	0		0	1,579,849		14,522	1,594,371	0	1,594,373
COLLEGE TOTAL	93,362,751	433,276,957	78,197,655	15,181,420	0	4,923,390	163,431	3,024,000	16,346,000	12,272,943	6,609,430	663,357,977	(127,670,593)	(4,588,487)	792,631	223,496	532,115,024	0	6,970,556	539,085,579	(3,999,947)	535,085,634
Educational Services Ctr								0				0	28,142,872	(456,773)			27,686,099	0	338,076	28,024,175		28,024,175
Information Technology												0	11,790,404	(298,890)			11,491,514	0	130,821	11,622,335		11,622,335
Centralized Svs												0	75,754,852			(223,496)	75,531,356	0		75,531,356		75,531,356
Contingency Reserve												0	(2,595,865)	(63,484)	(792,631)		(3,451,980)	22,925,894	60,547	19,534,461	3,999,947	23,534,408
General Reserve												0	1,130,097				1,130,097	42,576,661		43,706,758		43,706,758
STRS/PERS Reserve												0					0	19,400,000		19,400,000		19,400,000
Other District-wide												0	0				0	7,989,156		7,989,156		7,989,156
Van de Kamp Innovation											1,050,834	1,050,834					1,050,834	0		1,050,834		1,050,834
SRP- Early Retirement												0		5,407,633			5,407,633			5,407,633		5,407,633
Funds for Def Maint												0	13,448,233				13,448,233	0		13,448,233		13,448,233
Undistrib (Projtd Bal)		0	0	0	5,809,847	2,193,000		0				8,002,847					8,002,847	3,021,261		11,024,108		11,024,108
TOTAL	93,362,751	433,276,957	78,197,655	15,181,420	5,809,847	7,116,390	163,431	3,024,000	16,346,000	12,272,943	7,660,264	672,411,658	(0)	(0)	0	0	672,411,657	76,512,972	26,900,000	775,824,628	0	775,824,630

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NOTES:
¹⁾ FON Subsidy includes 3rd and final year of 2015-16.



LOS ANGELES COMMUNITY COLLEGE DISTRICT

2017-18 Second Quarter Financial Status Report

District Budget Committee February 14, 2018

Projected Ending Balance

Projected Revenue	\$674.7 million
Projected Expenditures	<u>\$686.7 million</u>
Projected Revenue vs Expenditures	\$-12.0 million
Balances Carried Forward for 2016-17	\$113.0 million
Adjustment to Beg Bal	<u>\$ 2.4 million</u>
Projected Ending Balance	\$ 103.4 million
Percent of Projected Expenditures	15.1%

Projected Reserves

General Reserve (6.5%)	42,576,661
Contingency Reserve (3.5%)	22,925,894
Deferred Maintenance	0
Balances/Open Orders	11,010,417
STRS/PERS Reserve	<u>26,900,000</u>
Total Projected Reserves as of June 30, 2018	103,412,972

SPRING 2018: Credit Enrollment Comparison

Census day for
Spring 2018 (WSCH)
is February 20

Day
8

Day relative to beginning of instruction
Tuesday, February 13, 2018
Tuesday, February 14, 2017

HEADCOUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	14,329	23,722	8,746	10,013	17,748	5,589	12,522	16,193	11,363	870	121,095
Spring 2017	15,589	28,293	8,985	9,525	19,319	5,758	13,145	16,870	11,505	1,102	130,091
2018 % of 2017	92%	84%	97%	105%	92%	97%	95%	96%	99%	79%	93%

Note: Beginning with Day -1, daily headcount totals for Spring 2017 will be lower and will not reflect actual daily drop activity. This is because this report utilizes Spring 2017 data from PeopleSoft, in which all instructor initiated drops are dated to the day before the start of the semester. It is estimated that, using this data, the comparison of Spring 2018 to Spring 2017 will initially be about 4% higher than expected and will normalize as instructor initiated drops for Spring 2018 continue to be entered and processed.

ENROLLMENT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	33,653	59,923	21,567	21,206	44,089	12,214	27,376	37,585	25,505	1,123	284,241
Spring 2017	37,957	66,442	23,612	20,762	47,633	13,454	30,761	40,520	27,557	1,333	310,031
2018 % of 2017	89%	90%	91%	102%	93%	91%	89%	93%	93%	84%	92%

Note: Beginning with Day -1, daily duplicated enrollment totals for Spring 2017 will be lower and will not reflect actual daily drop activity. This is because this report utilizes Spring 2017 data from PeopleSoft, in which all instructor initiated drops are dated to the day before the start of the semester. It is estimated that, using this data, the comparison of Spring 2018 to Spring 2017 will initially be about 5% higher than expected and will normalize as instructor initiated drops for Spring 2018 continue to be entered and processed.

SECTION COUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	1,272	2,316	812	690	1,588	463	1,187	1,427	899	84	10,738
Spring 2017	1,413	2,601	929	697	1,653	501	1,273	1,526	982	19	11,594
2018 % of 2017	90%	89%	87%	99%	96%	92%	93%	94%	92%	442%	93%

Enrollment divided by Section	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	26.5	25.9	26.6	30.7	27.8	26.4	23.1	26.3	28.4	13.4	26.5
Spring 2017	26.9	25.5	25.4	29.8	28.8	26.9	24.2	26.6	28.1	70.2	26.7
2018 % of 2017	98%	101%	105%	103%	96%	98%	95%	99%	101%	19%	99%

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

*Enrollment and Section count: Includes Credit PA, WSCH, DSCH, Ind Study, and Work Exp. Excludes Non-Credit Adult Ed and Non-Credit Tutoring. 2016 Section count reflects the information as of the end of the term (instead of the relative day listed above).

**Los Angeles Community College District
FON Hiring Scenarios
95,000 vs 103,000 FTES**

Fall 2018 FON Compliance Number if:	Fall 2018	
	Compliance #	Hires needed
Current Fall 2018 Advance # (calculated at 108,609 FTES)	1,648	129
Scenario 1: 2017-18 P2 reported at 95,000 FTES; same at year end	1,462	0
Scenario 2: 2017-18 P2 reported at 103,000 FTES; same at year end	1,586	68

Fall 2017 FT/PT Ratio		
Full Time FTEF		1,677
Part Time FTEF		894
Fall 2017 FT/PT Ratio		65.2%

Avg Salary & Benefits	
Full Time \$	102,000
Part Time \$	63,000
net difference \$	39,000

Scenario 1 - 0 FON needed to meet compliance	FON Hired	FON under	Penalty @ \$75,000	FT/PT ratio ^[1]	Cost of hire ^[2]	3 Year Cost (1
						year of penalty + 3 years Cost of hire)
a. hire only needed ^[3]	50	-	-	67.2%	1,950,000	5,850,000

Scenario 2 - 68 FON needed to meet compliance	FON Hired	FON under	Penalty @ \$75,000	FT/PT ratio ^[1]	Cost of hire ^[2]	3 Year Cost (1
						year of penalty + 3 years Cost of hire)
a. hire only needed ^[3]	50	(18)	1,350,000	67.2%	1,950,000	7,200,000
b. 75% of required	51	(17)	1,275,000	67.2%	1,989,000	7,242,000
c. 85% of required	58	(10)	765,000	67.5%	2,254,200	7,527,600
d. all required	68	-	-	67.9%	2,652,000	7,956,000

Three year additional cost of hiring 68 vs 50: \$7,956,000 - \$7,200,000 =						\$ 756,000
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[1] assumes PT FTEF is reduced at same level FT FTEF is hired

[2] Net difference of \$39,000 in salary and benefits between FT and PT multiplied by FON Hired

[3] 50 FON determined by colleges as programmatic need.