



Budget Allocation Model Task Force Meeting Notes for August 26, 2021

Members In Attendance:

Adil Ahmed, Interim Vice Chancellor for Finance & Administration
Thomas Renbarger, Academic Senate President
Donald Moore, DAS President
Jennifer Shanoski, President PFT
Scott Barringer, Local 39 Representative
Stacey Shears, Vice President of Student Services, Berkeley City College
Derek Pinto, Vice President of Administrative Services, Laney College
Louie Martinez y McFarland, Classified Senate Appointee
Tina Vasconcellos, Vice President of Student Services, College of Alameda
David M. Johnson, President, Merritt College
Richard Thoele, Classified, President Local 1021
Ruby Besikof, President, Laney College

Joan Davis-Pinkney, Staff Assistant, Finance & Administration (Notes)

Members Absent:

Jasmine Martinez, Classified Senate Representative, BCC
Tami Taylor, Interim Budget Director, Finance & Administration

Guests:

C.M. Brahmabhatt, Consultant, Cambridge West Partnership
Dr. Nathaniel Jones III, President, College of Alameda
Marla Williams-Powell, Acting Executive Fiscal Director
Garth Kwiecien, Vice President of Admin Services, Merritt
Dr. Angelica Garcia, President, Berkeley City College
Royle Roberts, Chief of Staff, District
Sean Brooks- VP Administrative Services, Berkeley City College

I. Agenda Items

Call to order 1:34 pm

1. Review of the Agenda for August 26, 2021

Agenda approved with correction made to the time from 1:30pm -2:30pm to 1:30pm - 3:00pm.

C.M. Brahmabhatt proposed the following timeline for the next 4 meetings-

At the first meeting in September we will discuss any concerns or additional feedback which should be incorporated into the handbook.

At the second meeting in September once the books are closed CM will prepare a similar student centered formula for 2021 along with what it looks like with all of the changes. Along with a snap shot of how you have completed your 2021 budget fiscal year.

The first meeting in October we will take the adopted budget and convert into the student centered formula for 2022, also keeping in mind that it is not implemented. This will us to see exactly what are the revenue shifts from one campus to another campus or the expenses.

The second meeting in October we would like to finalize the draft of the handbook and be adopted by the BAM Taskforce. From there it will be sent to the PBC for review and approval prior to going to the PGC.

2. Approval of Notes from May 27, 2021

Notes approved from the previous meeting as written.

C.M. Brahmbhatt offered to answer any questions or to recap our last meeting if needed.

3. BAM Handbook Presentation- C.M. Brahmbhatt (See attached)

It was asked if the colleges budget would be reduced for the year 2022-23 by the surplus form the year 2021-22? No it will not be reduced as it is the starting point for your budget.

It was asked if the colleges will have an ending balance starting at the end of this year or are we looking at the possibility of taking and figuring out a way to look at what the ending balance is now and allocating some portion of ending balance especially the amount that is over the required 10% reserve as a starting point and then add to it after we formally adopt the BAM?

C.M. Brahmbhatt is providing an observation he is not saying that this has to happen. If we are going to adopt budget allocation model for 2022-23 fiscal year it would be appropriate at the end of the 2021-22 to provide you the starting point ending balance if there are ending balances available for the colleges based under the old way of doing the business, that would be his recommendation.

It was asked how we are treating the 10% reserve; will it be held at the district or are we potentially looking at allocating it across the 5 centers as long as the total is 10 % we are good and we have meet policy requirements or is that 10 % only going to be held at the District in a centralized way. This will affect how we set up the budget each year. C.M. Generally the reserve is always held at the district office. Reserve for contingencies is not an ongoing dollar. Those are one-time dollars out of the ending balance.

C.M. Brahmbhatt Suggested that the reserve is held at the district office.

It was asked if the same principal will apply to the district office. Yes, everyone will be treated equally, however for example the if the district office has a \$21 million dollars allocation and they only spend \$19 million dollars the balance will go into the district wide balance.

It was asked if there could be some type of check and balances placed. Yes, there can be however any changes that someone would want to make would have to go back through the administrative procedures such as going through the PBC and the PGC as a shared governance process.

It was asked where local revenues should go, with regards to facility rentals and where those facility rentals should be located. C.M. Brahmbhatt mentioned if the district office is the one doing the rentals for example, they are renting for the cell towers those revenues would be taken and offset as a part of the

district expenses. What the colleges generate the college will be the beneficiary of all local revenue that the college generate by renting their facilities on their own campus.

It was asked if the revenues are allocated to the colleges, and we wish to move funds from one fund to another will we have the latitude to do that?

No, you cannot cross budgets, however you can use it in the fund that you want to use or use it in your fund 10. Majority of the time there should be a inter-fund transfer and this has to be budgeted for it and approved by the board.

C.M. Brahmbhatt paused at page 10 due to the time and will continue his presentation at the next meeting.

**4. Five Year Projections Adopted Budget 2021-2022 Presented by VC Ahmed.
(See attached)**

It was asked if it was correct that we do not receive revenues for part time faculty office hours from the State apportionment. Yes, that is correct the colleges is paying the office hours.

It was suggested that be listed as an expense line item.

It was mentioned that it would be helpful to know what the assumptions are and why they are changing to allow for transparency.

It was mentioned that the frozen vacant positions have been eliminated out of the budget for \$4.4 million dollars.

5. Detail Schedule Final for 2022 Presented by VC Ahmed (See attached)

II. Next Meeting(s)

September 9, 2021 at 1:30 pm

September 23, 2021 at 1:30 pm

III. Adjournment at 3:15 pm



PERALTA COMMUNITY COLLEGE DISTRICT BUDGET ALLOCATION MODEL

Based on Student Centered Funding Formula



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INTRODUCTION

The purpose of this *Peralta Community College District Budget Allocation Model Handbook 2021* is to provide a detailed description of the process used by the Peralta Community College District (PCCD) to allocate resources.

To communicate the PCCD budget allocation model to campus constituencies, this *Peralta Community College District Budget Allocation Model Handbook 2021* will be available on the District's website. In addition, the Vice Chancellor of Finance and Administration and the District Director of Fiscal Affairs will schedule annual campus-wide meetings at each site to communicate the PCCD budget allocation model. As this step will be repeated each year, the information presented to campus constituencies will also communicate any changes to the model that occurred as a result of the model's evaluation component described in the Evaluation of the Budget Allocation Model section of this document.

Contained within this Handbook is a general description of the PCCD Planning and Budget Council, the timeline and process for budget development, and guiding board policies and administrative procedures. The next section of the handbook provides a narrative explanation of the budget allocation model.

This *Peralta Community College District Budget Allocation Handbook 2021* describes the components of the budget allocation model at the District level. Each of the PCCD entities, Merritt College, Laney College, College of Alameda, and Berkeley City College, also has a budget allocation model for the internal distribution of funds including evidence of how budget allocations are linked to campus and District planning.

PLANNING AND BUDGET COUNCIL

The function of the Planning and Budget Council (PBC) is to make recommendations regarding policies, planning, and other matters related to PCCD fiscal resources. Recommendations from this governance group are forwarded to the Participatory Governance Council (PGC). After consideration of input from the PGC, and other recommendations, the Chancellor makes the final recommendation which is then submitted to the Board of Trustees for approval.

In addition to making recommendations related to PCCD fiscal resources and facilities, the purpose of the PBC is to:

- Ensure that PCCD resources are tied to the District Strategic Plan and the Comprehensive Master Plan
- Monitor PCCD's fiscal solvency
- Review and revise budget assumptions
- Review and discuss implementation of policies related to fiscal resources
- Coordinate practices as needed related to administrative services
- Serve as a forum for dialogue on ongoing fiscal activities and reporting
- Review and share information on the state budget including all funds
- Review the draft budget in its developmental stages

The members of the Participatory Governance Council (PGC) are:

- Interim, Chancellor, PCCD (Co-Chair) [Janet Jackson]
- President, DAS (Co-Chair) [Donald Moore]
- President, BCC [Angélica Garcia]
- President, COA [Nathaniel Jones]
- President, Laney [Rudy Besikof]
- President, Merritt [David Johnson]
- President, Laney Faculty Senate [Eleni Gastis]
- Representative, Local 1021 [Jamile Teer]
- President, PFT [Jennifer Shanoski]
- Acting Vice Chancellor, HR [Ronald McKinley]
- President, BCC Faculty Senate [Matthew Freeman]
- President, COA Faculty Senate [Matthew Goldstein]
- President, Merritt Faculty Senate [Thomas Renbarger]
- Representative, Local 39 [Anthony Edwards]
- Classified Senate President, Merritt TBD< Student Representative [Tachetta Henry]
- Note taker (non-voting) Sasha Amiri

The members of the Planning and Budget Council (PBC) are:

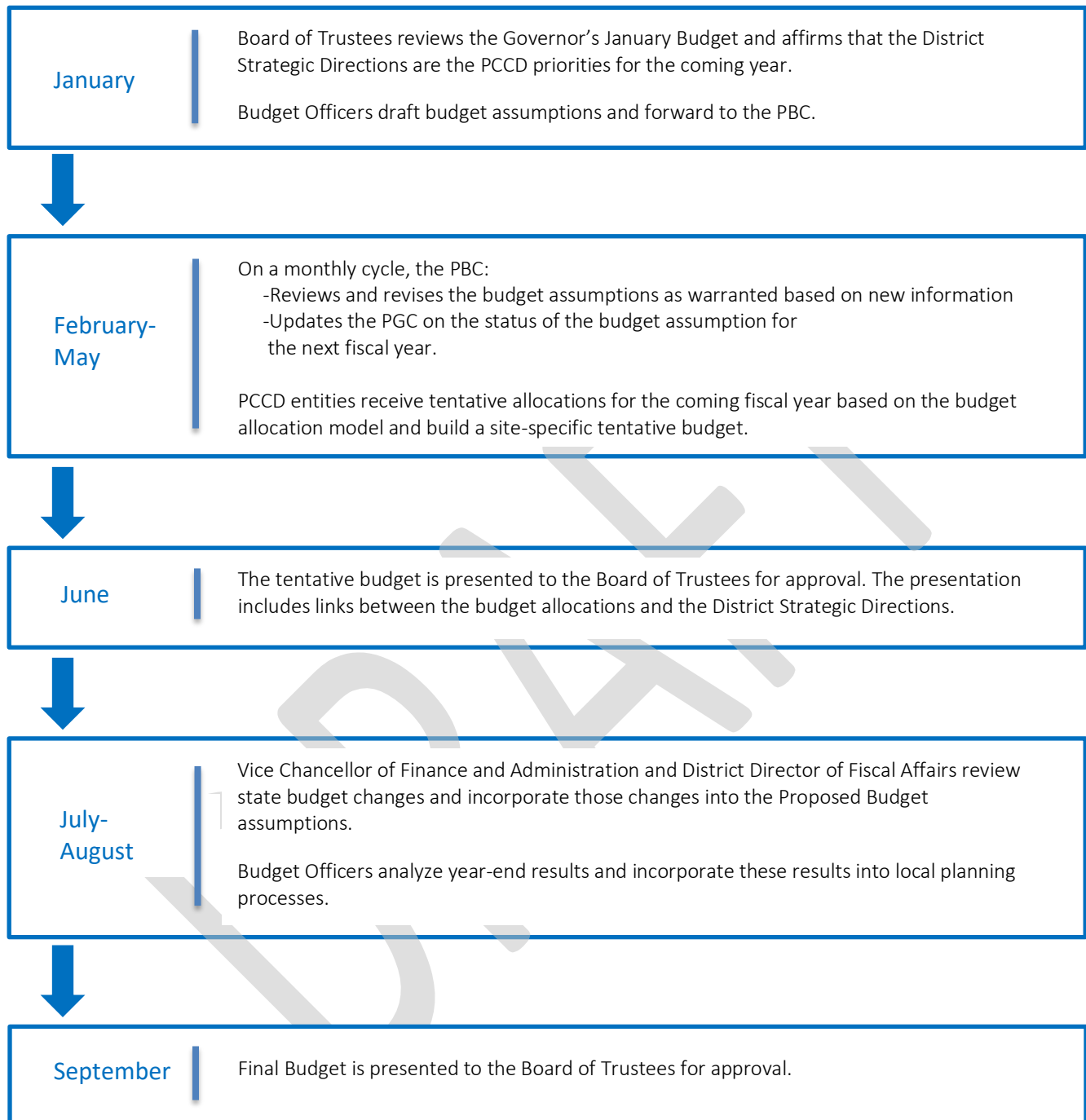
- Interim V.C. of Finance & Admin. (Co=Chair) [Adil Ahmed]
- Academic Senate President (Co-Chair) [Thomas Renbarger]
- DAS President [Donald Moore]
- Faculty, BCC [Matthew Freeman]
- PFT President [Jennifer Shanoski]
- Local 39 Representative [Scott Barringer]
- SEIU Representative, [Kawanna S. Rollins]
- Interim Budget Director [Tami Taylor]
- President, COA [Nathaniel Jones, III]
- VPSS, COA [Tina Vasconcellos]
- Student Representative [Aurelie Sciaroni]
- Institutional Research Designee [Helen Ku]
- Classified Senate Appointee [Louie Martirez]
- President, Merritt College [David M. Johnson]
- Executive Asst., Note taker (non-voting) [Richard Ferreira]
- Staff Assistant, Note taker (non-voting) [Joan Davis]

The members of the Budget Allocation Model Task Force (BAM) are:

- Interim Vice Chancellor for Finance & Administration [Adil Ahmed]
- Academic Senate President [Thomas Renbarger]
- Interim Budget Director, Finance & Administration [Tami Taylor]
- President, Berkeley City College [Angélica Garcia]
- DAS President [Donald Moore]
- President PFT [Jennifer Shanoski]
- President, Laney College [Rudy Besikof]

- Classified, President Local 1021 [Richard Thoele]
- Classified Senate Appointee [Louie Martirez]
- Vice President of Administrative Services, Laney College [Derek Pinto]
- Local 39 Representative [Scott Barringer]
- Vice President of Student Services, College of Alameda [Tina Vasconcellos]
- Executive Assistant, District Finance & Administration (Notes) [Richard Ferreira]
- Staff Assistant, District Finance & Administration, (Notes) [Joan Davis]

TIMELINE AND PROCESS FOR BUDGET DEVELOPMENT



BOARD POLICIES AND ADMINISTRATIVE PROCEDURES

BOARD POLICY 6250 Budget Management

Board Policy 6250 provides general information related to budget management and budget revisions.

ADMINISTRATIVE PROCEDURE 6250 Budget Management

Administrative Procedure 6250 provides procedures for Board of Trustees approval for budget transfers.

These board policies and administrative procedure can be accessed on the District's website web.peralta.edu/ by navigating to "Board and Administrative Policies" under the Board of Trustees section.

PCCD BUDGET ALLOCATION MODEL NARRATIVE

Budget Concepts and Principles

The major budget concept is that revenues stay where they are earned. District Services is treated as a fifth budget center and we use a chargeback methodology for Districtwide expenses and shared services between budget centers.

Budget center allocations are expected to align with the PCCD Mission Statement and link District Strategic Directions and District Objectives to the resources needed to accomplish these institutional goals.

PCCD uses an incremental approach to budgeting. The process each year begins with the previous year's base budget, with adjustments as necessary, based on projections of available revenue for the current year.

The major principles that guide the budgeting process are to:

1. Balance on-going expenditures with on-going revenues;
2. Maintain a 10% reserve for economic uncertainties; and
3. Maintain appropriate autonomy for each PCCD entity to use resources in a manner that best addresses the individual entity's needs.

Budget Centers

The PCCD budget model recognizes five budget centers for the purpose of budget allocation and expenditures:

- Merritt College
- Laney College
- College of Alameda
- Berkeley College
- District Services

The Merritt College, Laney College, College of Alameda, and Berkeley City College budget centers comprise all budgetary information for these institutions.

The District Services budget center comprises all budgetary information for the Chancellor's Office, Public Affairs, Finance and Facilities, Human Resources, and Educational Services and Technology departments.

This handbook includes information on the allocation of resources to each budget center. However, the individual budget centers have discretion over their budget center allocations. The specific allocation processes for each budget center are determined by the respective budget center's allocation model and planning processes.

Building Blocks of the Budget Allocation Model

Unrestricted Funds

- Resource Allocation Model
 - Ongoing Funds
 - Self-Supporting Funds
- Prior Year Funds (Carryover Funds)
- Hold Harmless Funds

The Ongoing and Self-Supporting Funds are part of the District's new Budget Allocation Model. This activity makes up the structural analysis of the District. More information on the components of the Budget Allocation Model are included in subsequent sections of this book. The Prior Year (or Carryover) Funds and the Student-Centered Funding Formula Hold Harmless funds are considered one-time funds. The One-Time Funds are not considered on-going as they have no ongoing funding source associated with their activity.

Budget Allocation Model

The District has implemented a new internal Budget Allocation Model (BAM) in efforts to more clearly align ongoing activities within each of its budget centers.

Principles

These are the guiding principles that were developed for the new allocation model.

- Recognize the District as the fiscal entity while honoring the unique legacy and culture of each institution
- Use planning and goals to drive the budget process
- Ensure that budget allocation decisions align with the type of funding
- Consider both the inputs and outcomes of proposed budget decisions
- Regularly assess operations and use data to inform the decision-making and planning processes
- Incentivize innovation and program development
- Take a long-term perspective
- Be transparent, simple and easy to explain

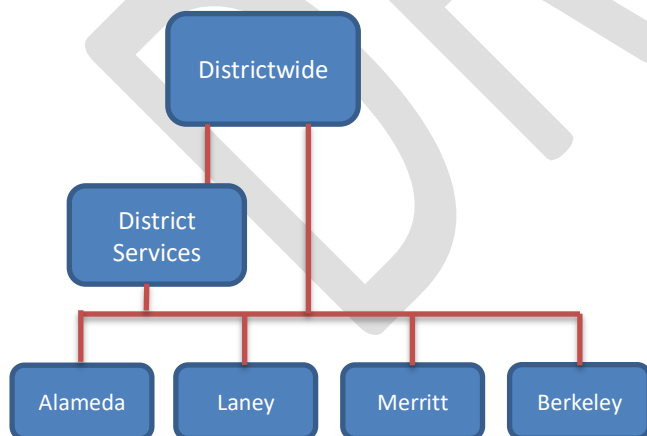
BAM Structure

The BAM is a revenue allocation model. It incorporates:

- Student Centered Funding Formula apportionment revenues
- Other state revenues
- Local revenues

It then uses those revenues to cover expenses:

- District-wide shared costs
- All personnel & operating costs by budget center



The four educational centers contribute revenue towards district services, creating the 5 operational budget centers. The 5 budget centers then all share in covering the costs identified as institutional, or district-wide costs.

Revenues

All ongoing and self-supported revenues are identified by budget center, either directly or by allocation formula. Those revenues form the basis for determining the operating budgets by each budget center. All revenue is considered District revenue because the district is the legal entity authorized by the State of California to receive and expend income and to incur expenses. However, the majority of revenue is provided by the taxpayers of California for the sole purpose of providing educational services to the communities and students served by the District. Services such as classes, programs, and student services are, with few exceptions, the responsibility of the four educational centers. It is the intent of the BAM to allocate the majority of funds to the campuses in order to provide those educational services. The model intends to provide an opportunity to maximize resource allocation decisions at the campus level. Each campus president is responsible for the successful operation and performance of their college or center as it relates to resource allocation and utilization. The purpose and function of the District Services in this structure is to maintain the fiscal and operational integrity of the District and its individual colleges and centers and to facilitate campus operations so that their needs are met and fiscal stability is assured. District Services is responsible for providing certain centralized functions, both to provide efficient operations as well as to assist in coordination between District Services and the campuses. Examples of these services include; human resources, business operations, fiscal and budgetary oversight, procurement, construction and capital outlay, educational services, and information technology.

Student Centered Funding Formula (SCFF) Revenue

SCFF Revenue is the amount anticipated to be received by the District as State Apportionment. Apportionment is the primary source of revenue for the District. PCCD's total apportionment is comprised of property tax revenues, student enrollment fees, and a state allocation, calculated using the Student Centered Funding Formula. The SCFF uses Full-Time Equivalent Student (FTES) and student headcount data to calculate the apportionment. FTES targets for each college for the upcoming academic year are used to allocate the base funding and assumptions are applied to the headcounts that are used for the additional SCFF components. The SCFF revenue is computed in three parts:

- **Base Allocation (70% of the SCFF):** This is the enrollment-based component that is most similar to the prior, SB361-based, funding formula. It is the sum of a Basic Allocation funding, derived from the number of colleges and centers in a district, as well as its size, and its funding for Credit, non-Credit*, CDCP*, Incarcerated, and Special Admit FTES.

* Noncredit & CDCP are funded 100% from the Base Allocation and do not participate fully in the other 2 components of the SCFF

- **Supplemental Allocation (20% of the SCFF):** This is the component of the SCFF that targets equity of access and opportunity for low-income students. The Supplemental Allocation is derived from the number of students who are receiving Pell Grants, Promise Grants and who are AB540 students.
- **Student Success Allocation (10% of the SCFF):** This is the component of the SCFF that targets and incentivizes successful outcomes of California Community College students. This allocation is based on a district's performance in the following eight outcome metrics: Associate's Degrees, Bachelor's Degrees, Associate's Degrees for Transfer, Credit Certificates,

Completion of 9+ CTE Units, Transfer, Completion of Transfer Level Math & English in the first year, and Achievement of Regional Living Wage.

The assumptions used for the SCFF as part of budget development are:

- FTES on which we'll be funded will be the same based on targets set by the campuses. If no targets are possible or developed, the prior fiscal year FTES will be used.
- The last available headcounts are used for the Supplemental and Success components of the SCFF, which is in line with the advanced calculations prepared by the state. Ultimately, the headcounts for funding will use the actual current year submitted data.
- The allocated SCFF revenue is limited to the earned revenue.

Other Unrestricted Revenues

The BAM also includes additional unrestricted state revenues received as well as local revenues earned.

State Revenues included are allocated to the campuses based on its proportion of the District's SCFF Base Allocation.

- Enrollment Fee Waivers: This budget is made up of 2% of the enrollment fees collected, which are not used to off-set the apportionment calculation, and the amount received from the State for the 2% that otherwise would have been collected from students had they not received fee waivers.
- Full-Time Faculty Hiring Funds 2018-19: Funds tied to a calculated increase in the Faculty Obligation Number by the state. This allocation was received in 2018-19.
- Part-Time Faculty Compensation: Comprised of reimbursements for office hours and health benefits, and an allocation for compensation. The final amount the District will receive will be based on the total claims submitted system wide against the available funds. We have based our estimate on the prior year allocations, reduced by 15% factoring in estimated reductions from the state.
- Lottery (Unrestricted portion): The unrestricted lottery revenue is considered part of the core revenue that is used to fund operations. The District's total allocation is based on FTES and incorporates the early lottery estimates from the state.
- Mandated Costs: Allocation based on funded FTES, as part of a block grant to cover compliance costs incurred during the year. Based upon the many uncertainties over the mandated claim process, including the State Controller's Office audits of these claims, the District has elected to opt into the more certain funding offered by participation in the block grant. This decision is evaluated annually to be responsive to changes in the mandated cost reimbursement process.

Local Revenues

- Districtwide Activity revenues consist primarily of interest earned and are allocated in a manner similar to State Revenues discussed above.
- Budget Center Activity are funds that are received for various activities. Each budget center, Merritt College, Laney College, College of Alameda, Berkeley City College, and District Services, determined their revenue estimates based on their experiences. This also consists of self-supported activities that bring in revenue and are expected to cover their own costs.

Revenue to the District Office

District Services is considered a budget center and is funded based on an agreed-upon allocation of the revenues from the campuses. As part of the implementation of the BAM, several factors were considered in determining an appropriate percentage, including information on the level of service and allocations at other districts. A consideration was given to provide an allocation that was sufficient to allow District Services to operate as a budget center yet still leave each campus able to maintain its operations at the current levels.

Expenses

The expenses in the BAM are broken out by budget center as well as the shared district-wide expenses.

District-wide Expenses

Districtwide expenses are costs that have been identified and determined to be shared across all entities within the district. Examples of these expenses include retiree benefits, faculty sabbatical costs and related-activity expenditures, districtwide memberships, audit expenses, employee assistance program, and hospitality. Changes to the districtwide expenses may be made directly by the Chancellor or with a request through PBC then approved by PGC for recommendation to the Chancellor. The listing of approved Districtwide expense categories and amounts are included in the annual proposed budget reports.

Budget Center Expenses

Operating budgets included in the BAM for the budget centers are separated into ongoing and self-supported activities.

Personnel

The budget center operating expenses are comprised primarily of personnel costs. The district's budgets for permanent positions,

The employee groups included in position control are:

- Full-Time Faculty
- Classified staff
- Confidential staff
- Academic managers
- Classified managers
- Executives
- Temporary Special Positions (including instructors, project coordinators, managers, and directors)

At the time of preparation of the proposed budget, the number of positions and salary & benefits costs includes all active positions some of which may have been vacant at the time the data is prepared may then become filled and other positions that may subsequently become vacant.

Increases based on step and column movements have also been incorporated.

Adjunct Faculty are another major component of personnel costs. These are included as part of extended day costs and are budgeted separately from position control, as part of the other operating budgets.

Full-Time Faculty

While most positions are determined based on the needs of the budget centers, there is a compliance component to the full-time faculty positions district-wide. A faculty obligation number (FON) is set by the state each year, based on the prior year's FON modified by changes in the FTES. The District must meet its FON or face paying a penalty. Full-time Instructors teaching credit classes, as well as full-time counselor positions are considered towards this obligation.

NONPOS (a.k.a. Non-Position Control)

The remaining operating budgets for each budget center are those costs outside of position control, also referred to as “NONPOS”. This includes estimated costs for Adjunct Faculty and other temporary hourly personnel, costs of departmental and campus office costs (e.g. supplies, services, equipment, etc.) and maintenance needs. As part of the implementation of the new Budget Allocation Model, each budget center is responsible for covering any increases in personnel costs, such as the costs of any negotiation settlements and increases in health plan costs. The budget centers may also set aside some contingency funds to help offset potential, yet unquantified costs.

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Prior Year Funds

A district's ending balance for a fiscal period is referred to as its fund balance. Fund balance represents a point-in-time fiscal snapshot of a district's financial position. As this balance moves from the end of one fiscal year to the beginning of the subsequent fiscal year, it becomes categorized as one-time. One-time funds are unspent funds that remain after a fiscal year has ended, and primarily result from budgetary "savings." These funds would not necessarily be replicated in subsequent years. It is not fiscally prudent to use one-time funds for ongoing purposes such as to fund expenditures for salaries and benefits of permanent staff. Instead, these funds are more appropriately used to fund one time items or projects. To properly differentiate one-time funds from ongoing sources of funds, the District accounts for these dollars in the One-Time Fund, a sub-fund of the Unrestricted General Fund. The Ending Fund Balance, or Carryover Funds, are broken down into 5 categories*:

- **Nonspendable** – This represents resources that are not readily available for expenditures, and includes inventory and cash held in the revolving bank account.
- **Restricted** – This represents the carryover funds from restricted programs that have legal restrictions for their use by State and federal governments.
- **Committed** – These are funds that were specifically committed by Board action. The District continues to maintain funds committed to help cover future PERS/STRS rate increases.
- **Assigned** – These funds are assigned for a specified districtwide purpose or at the budget centers.
- **Uncommitted** – These are funds which have not been designated for a specific purpose and are held available to use for specific needs that may arise during the fiscal year. However, included here is a contingency set aside per Board Policy 6250 requiring that unrestricted general reserves shall be no less than 10% of unrestricted General Fund expenditures. We continue to base this on the Chancellor's Office definition of minimum required reserve for economic uncertainty.

Nonspendable Fund Balance

Revolving Cash: The District maintains a bank account with a \$150,000 balance to facilitate issuing checks that are needed outside of the normal check process and which have associated with them legal requirements for more urgent issuance.

Inventory: Inventory maintained for some supplies, and which by itself is not spendable.

Restricted Fund Balance

These are the Restricted funds which may carryover their unused funds. If expenditures outpace the available funds, then the fund balances will show as negative. In such circumstances, additional available general fund resources are required to supplement the shortfall.

Health Services: Cypress College and Fullerton College each maintain a student health center, which is partially funded by health fees collected. Those fees may only be used for allowable health service expenditures.

Instructional Equipment: Funds remaining from allocations by the state for instructional equipment.

Parking: Each campus maintains parking on-site and charges a fee for non-employees to park on campus. The parking fees collected from parking permits and day passes may only be used towards costs associated with the maintenance of and security for the campus parking lots.

Lottery: As a community college, we receive a share of the lottery funds collected by the state and designated for education. The restricted lottery funds may only be used for instructional purposes as identified in Ed Code.

Veteran's Services: funding received to provide education benefits for veterans, which are held and disbursed per the direction of the Department of Veterans' Affairs.

Administrative Allowance: Cypress College and Fullerton College both participate in the Federal financial aid programs (i.e., PELL, FWS, SEOG). Those programs provide an administrative allowance to help defray some of the costs associated with administering the financial aid to students.

Committed Funds

Committed funds can only be used for the specific purposes determined by formal action of the Board of Trustees.

Assigned Fund Balances

These carryovers consist of:

- One-Time Funds allocated to the various budget centers.
- Funds assigned by the budget center for activities and needs identified by that budget center.

One-time Funds Allocated

These are carryover funds that are considered to be in the Districtwide category and are allocated to the different budget centers for specific purposes. These allocations are discussed at various standing committees, including the PBC as well as the PGC, and are approved at PGC.

The one-time funds are to be used for the purposes for which they were designated. Any of the One-Time Fund Allocations that remain unused once their purpose is complete will be returned to be included in future allocations.

Funds Assigned by the Budget Centers

Each budget center maintains control over funds that have been conserved from the previous year. These assigned funds are allocated to needs as identified by that budget center. These items are usually one-time in nature, rather than on-going costs.

Uncommitted Fund Balances

Board Policy Contingency: As discussed previously, the District maintains unrestricted general reserves at a level no less than 10% of unrestricted General Fund expenditures, including debt service, transfers, and payments to students.

Unallocated Resources – Districtwide: These are unallocated, contingency funds maintained and which can be allocated at the discretion of the board. Any allocations out of contingency is submitted to the board as a regular part of ongoing operations for board review and approval.

Unallocated Resources – Budget Centers: These are unallocated funds maintained at the budget centers that also have been conserved from the previous year. Any unassigned funds remaining at the budget center are available to be allocated at the discretion of the budget center to supplement operations and is also submitted to the board for review and approval.

Hold Harmless Allocation

As part of the multi-year transition into the new SCFF, a provision was added to ensure that districts would receive no less than they did for 2017-18, plus COLA, which is 2.71% for 2018-19 and 3.26% for 2019-20, and 0.00% for 2020-21. Funds received under the hold harmless allocation have been used in the ongoing funding incorporated into the BAM. The District will use the hold harmless funding to supplement BAM, as needed, and has included it in the discussions of uses for one-time funding. The hold harmless funding is expected to end after fiscal year 2024-25.

EVALUATION OF THE BUDGET

Evaluation of the Allocation Model


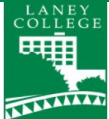


In October of each year, the PBC will evaluate the allocation model for both the process and those allocations that are formula driven, and will prepare a report to the PGC. The primary current formula-driven allocation is the amount provided towards funding District Services as a budget center. Each budget center will provide input via their respective representative(s) on the PBC.

Closing the Loop – Budget Allocation is linked to District Strategic Directions

In order to meet the Accreditation Standard III.D3, which requires that the District/Institution(s) systematically assess the effective use of financial resources and use the results of the evaluation as a basis for improvement.

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**Peralta Community College District:
2020-21 Adopted Budget Revenue Allocation**

Peralta Community College District: 2020-21 Adopted Budget Revenue Allocation									Total					
Balance Sheet Summary					Allocation	% of Total	Allocation	% of Total	Allocation	% of Total	Allocation	% of Total		
					Districtwide	% of Total	District Services	% of Total	Allocation	% of Total	Allocation	% of Total		
Revenues	Apportionment													
	Total SCFF State Apportionment					\$ 28,813,708	24%	\$ 42,327,917	35%	\$ 23,965,642	20%	\$ 25,292,131		\$ 120,399,398
	Total Other Unrestricted Revenue					\$ 4,769,057	24%	\$ 6,934,741	35%	\$ 3,936,739	20%	\$ 4,203,545		\$ 19,844,082
	Total Revenue, 1					\$ 33,582,766	24%	\$ 49,262,658	35%	\$ 27,902,380	20%	\$ 29,495,676	21%	\$ 140,243,480
	Revenue to District Office for District Services					\$ (10,746,485)	24%	\$ (15,764,050)	35%	\$ (8,928,762)	20%	\$ (9,438,616)	21%	\$ -
	Total Revenue, 2					\$ 22,836,281	16%	\$ 33,498,607	24%	\$ 18,973,619	14%	\$ 20,057,060	14%	\$ 140,243,480
Districtwide Expenses					\$ (743,729)	16%	\$ (1,090,979)	24%	\$ (617,931)	14%	\$ (653,216)	14%	\$ -	
Final Revenue Allocation					\$ 22,092,551	16%	\$ 32,407,628	23%	\$ 18,355,688	13%	\$ 19,403,844	14%	\$ 140,243,480	
Expenditures	Expenditures													
	Total General Fund Expenditures					\$ 21,754,050	15%	\$ 36,418,062	25%	\$ 18,540,414	13%	\$ 20,324,891	14%	\$ 144,817,800
	Total Expenditures					\$ 21,754,050	15%	\$ 36,418,062	25%	\$ 18,540,414	13%	\$ 20,324,891	14%	\$ 144,817,800
Final Revenue					\$ 338,501	1%	\$ (4,010,434)	-8%	\$ (184,726)	-1%	\$ (921,047)	-3%	\$ (4,574,320)	



Peralta Community College District: College Level SCFF Data

* SCFF metrics for Base Allocation are based on 19-20 R1. Supplemental and Success Allocation metrics are based on 20-21 P1. All allocations are distributed based on earned outcomes.

<div><div></div><div>Peralta Community College District: College Level SCFF Data</div></div>				<div><div></div></div>				<div><div></div></div>				<div><div></div></div>				<div><div></div></div>				District Total											
* SCFF metrics for Base Allocation are based on 19-20 R1. Supplemental and Success Allocation metrics are based on 20-21 P1. All allocations are distributed based on earned outcomes.				SCFF Data for District Funding																											
				Data	2020-21 State Apportionment						Data	2020-21 Estimated		% of District						Data	2020-21 Estimated		% of District				Reported Data	Total Estimated Funding (not a final allocation)			
					Funding Rate	Funding																									
Base Allocation (\$)						\$	16,182,009			\$	4,045,502			\$	4,045,502			\$	4,045,502			\$	4,045,502				\$	16,182,009.12			
Base Allocation	FTEs																											2019-20 P1 FTEs			
	Traditional Credit 3-Year Average	16,280.37	\$	4,009	\$	65,268,003																						15,359.80	\$	61,577,438.20	
	Actual Traditional Credit																											457.86	\$	2,574,061.45	
	Special Admit Credit	457.86	\$	5,622	\$	2,574,061																									
	Incarcerated Credit																														
	Non-Credit	59.71	\$	3,381	\$	201,857																									
	Non Credit CDCP	41.71	\$	5,622	\$	234,491																									
	Non-Credit Incarcerated																														
Total	16,940			\$	84,460,422																						16,118	\$	81,443,447.83		
Supplemental Allocation*	19-20 Headcount																											19-20 Headcount			
	Pell Grant Recipients	5,923	\$	948	\$	5,615,004																						5,923	\$	5,615,004.00	
	AB540 Students	1,013	\$	948	\$	960,324																							465	\$	960,324.00
	California Promise Grant Recipients	12,198	\$	948	\$	11,563,704																						12,197	\$	11,562,756.00	
Total	19,134			\$	18,139,032																						19,133	\$	18,138,084.00		
All Students	19-20 Outcomes																											19-20 Outcomes			
	Associate Degrees	855	\$	1,677	\$	1,433,835																						854	\$	1,432,158.00	
	Associate Degrees for Transfer	606	\$	2,236	\$	1,355,234																						606	\$	1,355,234.16	
	Baccalaureate Degrees																														
	Credit Certificates	425	\$	1,118	\$	475,150																						424	\$	474,032.00	
	Nine or More CTE Units	2,528	\$	559	\$	1,413,152																						2,528	\$	1,413,152.00	
	Transfer	1,157	\$	839	\$	970,145																						1,157	\$	970,144.50	
	Transfer Level Math and English	656	\$	1,118	\$	733,408																						655	\$	732,290.00	
	Achieved Regional Living Wage	2,947	\$	559	\$	1,647,373																						2,947	\$	1,647,373.00	
	Total	9,174			\$	8,028,297																						9,171	\$	8,024,383.66	
Student Success Allocation*	19-20 Outcomes																											19-20 Outcomes			
	Associate Degrees	508	\$	635	\$	322,326																						508	\$	322,326.00	
	Associate Degrees for Transfer	343	\$	846	\$	290,178																						343	\$	290,178.00	
	Baccalaureate Degrees																														
	Credit Certificates	189	\$	423	\$	79,947																						189	\$	79,947.00	
	Nine or More CTE Units	1,127	\$	212	\$	238,361																						1,128	\$	238,572.00	
	Transfer	561	\$	317	\$	177,977																						561	\$	177,977.25	
	Transfer Level Math and English	263	\$	423	\$	111,249																						263	\$	111,249.00	
	Achieved Regional Living Wage	670	\$	212	\$	141,705																						670	\$	141,705.00	
	Total	3,661			\$	1,361,743																						3,662	\$	1,361,954.25	
California Promise Grant Recipients Bonus	19-20 Outcomes																											19-20 Outcomes			
	Associate Degrees	638	\$	423	\$	269,727																						638	\$	269,727.26	
	Associate Degrees for Transfer	468	\$	564	\$	263,812																						468	\$	263,811.60	
	Baccalaureate Degrees																														
	Credit Certificates	270	\$	282	\$	76,100																						270	\$	76,099.50	
	Nine or More CTE Units	1,623	\$	141	\$	228,843																						1,623	\$	228,843.00	
	Transfer	751	\$	212	\$	158,837																						751	\$	158,836.50	
	Transfer Level Math and English	377	\$	282	\$	106,257																						377	\$	106,257.45	
	Achieved Regional Living Wage	1,316	\$	141	\$	185,556																						1,316	\$	185,556.00	
	Total	5,443			\$	1,289,131																						5,443	\$	1,289,131.31	
Total	18,278			\$	10,679,171																						18,276	\$	10,675,469.22		
Total SCFF 2018-19 State Apportionment				\$	113,278,625		\$	26,376,223	23.9%		\$	38,783,541	35.2%		\$	21,953,557	19.9%		\$	23,143,681	21.0%		District Data Total		\$	110,257,001.05					
3 Year Average Adjustment				\$	3,016,975		\$	725,059	24.03%		\$	1,054,316	34.95%		\$	598,518	19.84%		\$	639,082	21.18%				\$	3,016,974.60					
Total Apportionment				\$	113,278,625		\$	27,101,281			\$	39,837,857			\$	22,552,075			\$	23,782,762					\$	113,273,975.65					
Hold Harmless				\$	7,125,422		\$	1,712,427			\$	2,490,060			\$	1,413,566			\$	1,509,369					\$	7,125,422.00					
Funding w/ Hold Harmless				\$	120,404,047		\$	28,813,708			\$	42,327,917			\$	23,965,642			\$	25,292,131					\$	120,399,398					

*Supplemental and Student Success Allocation will be changed based on the actual metrics and data of each college.



Peralta Community College District: 2020-21 Revenue Allocation



Total





Local and Other (Unrestricted) Revenue

	Districtwide	District Services	Allocation	% of Total	Allocation	% of Total	Allocation	% of Total	Allocation	% of Total	Total Estimated Funding (not a final allocation)
State Revenue											
Source of Revenue											
Lottery	\$ -	\$ -	\$ 21,852.40	24%	\$ 31,775.83	35%	\$ 18,038.62	20%	\$ 19,261.16	21%	\$ 90,928.00
Faculty Compensation	\$ -	\$ -	\$ 961,305.66	24%	\$ 1,397,845.64	35%	\$ 793,534.09	20%	\$ 847,314.61	21%	\$ 4,000,000.00
Mandated Cost	\$ -	\$ -	\$ 905,831.60	24%	\$ 1,317,180.16	35%	\$ 747,741.62	20%	\$ 798,418.63	21%	\$ 3,769,172.00
Faculty Hiring and Parity	\$ -	\$ -	\$ 222,301.93	24%	\$ 323,251.80	35%	\$ 183,504.76	20%	\$ 195,941.50	21%	\$ 925,000.00
Other State	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Homeowners Tax Relief	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Total	\$ -	\$ -	\$ 2,111,291.59	24%	\$ 3,070,053.42	35%	\$ 1,742,819.09	20%	\$ 1,860,935.90	21%	\$ 8,785,100.00
Local/Dedicated Revenue*											
Source of Revenue											
2% Enrollment Fee Administration	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Community Services Fees	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Contract Education/Services	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Facilities Rental Fees	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
STRS paid on behalf Others	\$ -	\$ -	\$ 25,234.27	24%	\$ 36,693.45	35%	\$ 20,830.27	20%	\$ 22,242.01	21%	\$ 105,000.00
Non Resident Student Revenue	\$ -	\$ -	\$ 112,068.29	24%	\$ 162,959.80	35%	\$ 92,509.61	20%	\$ 98,779.30	21%	\$ 466,317.00
Student Health Fees	\$ -	\$ -	\$ 45,421.69	24%	\$ 66,048.21	35%	\$ 37,494.49	20%	\$ 40,035.62	21%	\$ 189,000.00
A/C Transit	\$ -	\$ -	\$ 789,700.59	24%	\$ 1,148,312.72	35%	\$ 651,878.34	20%	\$ 696,058.36	21%	\$ 3,285,950.00
Application Fees (Int'l)/Student Records	\$ -	\$ -	\$ 1,395,514.45	24%	\$ 2,029,233.64	35%	\$ 1,151,962.73	20%	\$ 1,230,035.18	21%	\$ 5,806,746.00
Other Student Fees and Miscellaneous	\$ -	\$ -	\$ 195,264.97	24%	\$ 283,937.05	35%	\$ 161,186.41	20%	\$ 172,110.57	21%	\$ 812,499.00
Capital Outlay	\$ -	\$ -	\$ 94,561.23	24%	\$ 137,502.58	35%	\$ 78,057.96	20%	\$ 83,348.22	21%	\$ 393,470.00
Other Local	\$ -	\$ -	\$ -	24%	\$ -	35%	\$ -	20%	\$ -	21%	\$ -
Total	\$ -	\$ -	\$ 2,657,765.50	24%	\$ 3,864,687.43	35%	\$ 2,193,919.81	20%	\$ 2,342,609.26	21%	\$ 11,058,982.00
Total Unrestricted Revenue	\$ -	\$ -	\$ 4,769,057.10	24.0%	\$ 6,934,740.86	34.9%	\$ 3,936,738.90	19.8%	\$ 4,203,545.15	21.2%	\$ 19,844,082.00

*Local/Dedicated Revenue will change based on each location producing its own income.



**Peralta County Community College District:
2020-21 Adopted Budget Expenditure Allocation**

								Total	
Allocation	% of Total	Allocation	% of Total	Allocation	% of Total	Allocation	% of Total	Total Estimated Funding (not a final allocation)	
\$ 9,922,846	21.47%	\$ 16,570,721	35.86%	\$ 8,124,654	17.58%	\$ 9,626,426	20.83%	\$	46,208,974
\$ 3,315,734	11.12%	\$ 5,570,327	18.68%	\$ 3,246,676	10.88%	\$ 3,134,249	10.51%	\$	29,827,717
\$ 6,662,952	16.70%	\$ 11,438,527	28.67%	\$ 5,650,106	14.16%	\$ 5,997,710	15.03%	\$	39,892,236
\$ 100,157	11.65%	\$ 175,580	20.42%	\$ 77,952	9.07%	\$ 119,240	13.87%	\$	859,650
\$ 1,685,211	6.30%	\$ 2,658,760	9.95%	\$ 1,430,783	5.35%	\$ 1,394,727	5.22%	\$	26,730,792
\$ 67,150	25.65%	\$ 4,147	1.58%	\$ 10,243	3.91%	\$ 23,654	9.04%	\$	261,743
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 28,885	2.79%	\$	1,036,688
\$ 21,754,050	15.02%	\$ 36,418,062	25.15%	\$ 18,540,414	12.80%	\$ 20,324,891	14.03%	\$	144,817,800

SCFF Calculation

Peralta Community College District

			2020-21			
Estimated State COLA			0.00%		% change	
			FTES	Rate	Total	
Base Allocation	Credit FTES	Basic Allocation			\$ 16,182,009	
		3-Year Average Credit	16,280.37	\$ 4,009	\$ 65,268,003	
		Special Admit	457.86	\$ 5,622	\$ 2,574,061	
		Incarcerated Credit	-	\$ 5,622	\$ -	
		Subtotal	16,738.23		\$ 67,842,065	
	Non-Credit FTES	Traditional Non Credit	59.71	\$ 3,381	\$ 201,857	
		CDCP	41.71	\$ 5,622	\$ 234,491	
		Incarcerated Non-Credit	-	\$ 3,347	\$ -	
		Subtotal	101.42		\$ 436,349	
	Total			16,839.65		\$ 84,460,422
Supplemental Allocation			Headcount	Rate		
	Pell Grant Recipients		5,923	\$ 948	\$ 5,615,004	
	State Nonresident Fee Waiver		1,013	\$ 948	\$ 960,324	
	California Promise Grant Recipients		12,198	\$ 948	\$ 11,563,704	
	Total		19,134		\$ 18,139,032	
Student Success Allocation	All Students		Outcomes	Rate		
		Associate Degrees	855	\$ 1,677	\$ 1,433,835	
		Baccalaureate Degrees	-	\$ 1,677	\$ -	
		Associate Degrees for Transfer	606	\$ 2,236	\$ 1,355,234	
		Credit Certificates	425	\$ 1,118	\$ 475,150	
		Nine or More CTE Units	2,528	\$ 559	\$ 1,413,152	
		Transfer	1,157	\$ 839	\$ 970,145	
		Transfer Level Math and English	656	\$ 1,118	\$ 733,408	
		Achieved Regional Living Wage	2,947	\$ 559	\$ 1,647,373	
	Subtotal		9,174		\$ 8,028,297	
	Equity: Pell Grant Recipients	Associate Degrees	508	\$ 635	\$ 322,326	
		Baccalaureate Degrees	-	\$ 635	\$ -	
		Associate Degrees for Transfer	343	\$ 846	\$ 290,178	
		Credit Certificates	189	\$ 423	\$ 79,947	
		Nine or More CTE Units	1,127	\$ 212	\$ 238,361	
		Transfer	561	\$ 317	\$ 177,977	
		Transfer Level Math and English	263	\$ 423	\$ 111,249	
		Achieved Regional Living Wage	670	\$ 212	\$ 141,705	
	Subtotal		3,661		\$ 1,361,743	
	Equity: California Promise Grant Recipients	Associate Degrees	638	\$ 423	\$ 269,727	
		Baccalaureate Degrees	-	\$ 423	\$ -	
		Associate Degrees for Transfer	468	\$ 564	\$ 263,812	
		Credit Certificates	270	\$ 282	\$ 76,100	
		Nine or More CTE Units	1,623	\$ 141	\$ 228,843	
		Transfer	751	\$ 212	\$ 158,837	
		Transfer Level Math and English	377	\$ 282	\$ 106,257	
		Achieved Regional Living Wage	1,316	\$ 141	\$ 185,556	
	Subtotal		5,443		\$ 1,289,131	
	Preliminary Total		18,278		\$ 10,679,171	
	Success Growth	Available Growth				
		Maximum Growth	no limit			
		Funded Growth				
Total				\$ 10,679,171		
Total SCFF before Hold Harmless			\$ 113,278,625			
Hold Harmless Funding			\$ 7,125,422			
Total SCFF			\$ 120,404,047			

Table 14

Adpoted Budget 2022 Unrestricted General Fund 5 Year Projection

	Adopted Budget F/Y 2020/21	Adopted Budget F/Y 2021/22	Projection F/Y 2022/23	Projection F/Y 2023/24	Projection F/Y 2024/25
Revenues:					
Federal Revenue	-	-	-	-	-
State Revenue *	69,689,847	76,530,675	78,061,289	79,622,514	81,214,965
Local Revenue	75,127,953	72,205,810	73,649,926	75,122,925	76,625,383
Total Revenues:	144,817,800	148,736,485	151,711,215	154,745,439	157,840,348
Expenditures: **					
Full Time Academic	25,400,106	25,740,117	26,254,919	26,780,018	27,315,618
Academic Administration	6,126,601	6,019,497	6,139,887	6,262,685	6,387,938
Other Faculty	5,640,185	6,949,694	7,088,688	7,230,462	7,375,071
Part Time Academic***	9,042,082	5,261,820	5,367,056	5,474,398	5,583,885
Classified Salary	29,827,717	33,107,442	33,769,591	34,444,983	35,133,882
Fringe Benefits	39,892,236	43,222,926	44,087,385	44,969,132	45,868,515
Bad Debts	670,830	850,000	850,000	850,000	850,000
Books Supplies, SVcs	23,023,008	22,304,944	22,578,214	22,685,576	23,139,287
Equipment Outlay	261,743	268,751	214,830	221,296	225,722
Debt Services-Bonds	2,046,604	2,334,000	2,380,680	3,380,680	4,380,680
Other Outgo	1,878,885	1,850,000	2,314,174	2,360,457	2,407,667
Contingency Reserve	1,007,803	600,000	-	-	-
Total Expenses:	144,817,800	148,509,191	151,045,424	154,659,686	158,668,266
Beginning Fund Balance:	23,195,266	23,749,509	23,976,803	24,642,593	24,728,346
Net Increase (Decrease)	-	227,294	665,791	85,753	(827,918)
Audit Adjustment	-	-	-	-	-
Ending Fund Balance:	23,195,266	23,976,803	24,642,593	24,728,346	23,900,428
Fund Balance %	16.02%	16.14%	16.31%	15.99%	15.06%

*5.07% COLA included in budgeted revenues and expenses

** \$4.4 million frozen vacant positions are not included in the budgtd expenditures.

*** Part time Academic Salaries are reflective of the shift of the FON (Faculty Obligation Number) and allocating the expenses in each of the appropriate fund