



2019-2020

FINAL BUDGET

Presented to the Budget Committee

September 3, 2019

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Agenda

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- State Budget Highlights
- Student Centered Funding Formula
- Ohlone College 2019-20 Final Budget
- CCC Sound Fiscal Management Self Assessment Checklist



State Enacted Budget Highlights

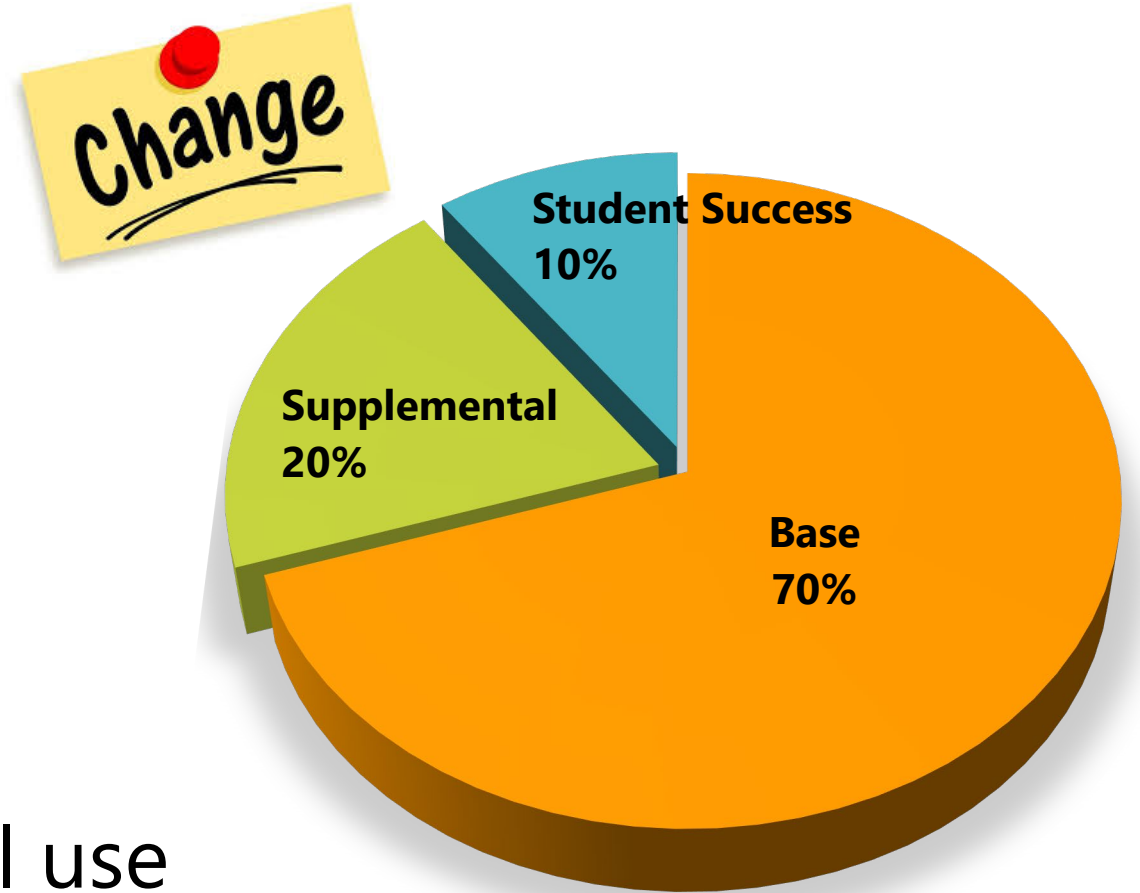
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	May Revise	Enacted Budget
Prop 98	\$81.1B	\$81.1B
COLA	3.26%	3.26%
Growth (0.55%)	\$25M	\$24.7M
Mandate Block Grant	\$33M	\$34M
Full Time Faculty Funding-ongoing	\$50M	\$50M
Physical Plant and Instructional Equipment	\$40M	13.5M
California College Promise Grant (AB 19)	\$83M	\$85M
Strong Workforce Program	\$248M	\$248M

Major Changes in the Student Centered Funding Formula (SCFF)

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- One additional year of hold-harmless
- Allocation at 70%-20%-10%
- Re-define Student Success Outcome
- Student Success allocation will use average of prior 3 years



Ohlone College 2019-20 Final Budget

2019-20 Final Budget

Major Revenue Changes

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Unrestricted (Fund 10) Revenue:

Hold Harmless

COLA (3.26%)

Mandate Block Grant

Lottery (Unrestricted and Restricted)

Full Time Faculty Funding - Ongoing

Part Time Faculty Funding - Ongoing

Restricted Revenue:

Physical Plant and Instruct. Equip.

California College Promise Grant (AB19)

DSPS

Strong Workforce

Tentative Budget

Final Budget

\$7.9M

\$9.2M

\$1.6M

\$1.6M

\$240K

\$218K

\$1.1M

\$1.2M

\$324K

\$303K

\$162K

\$217K

\$259K

\$96K

\$294K

\$885K

\$1.56M

\$1.78M

\$856K

\$645K

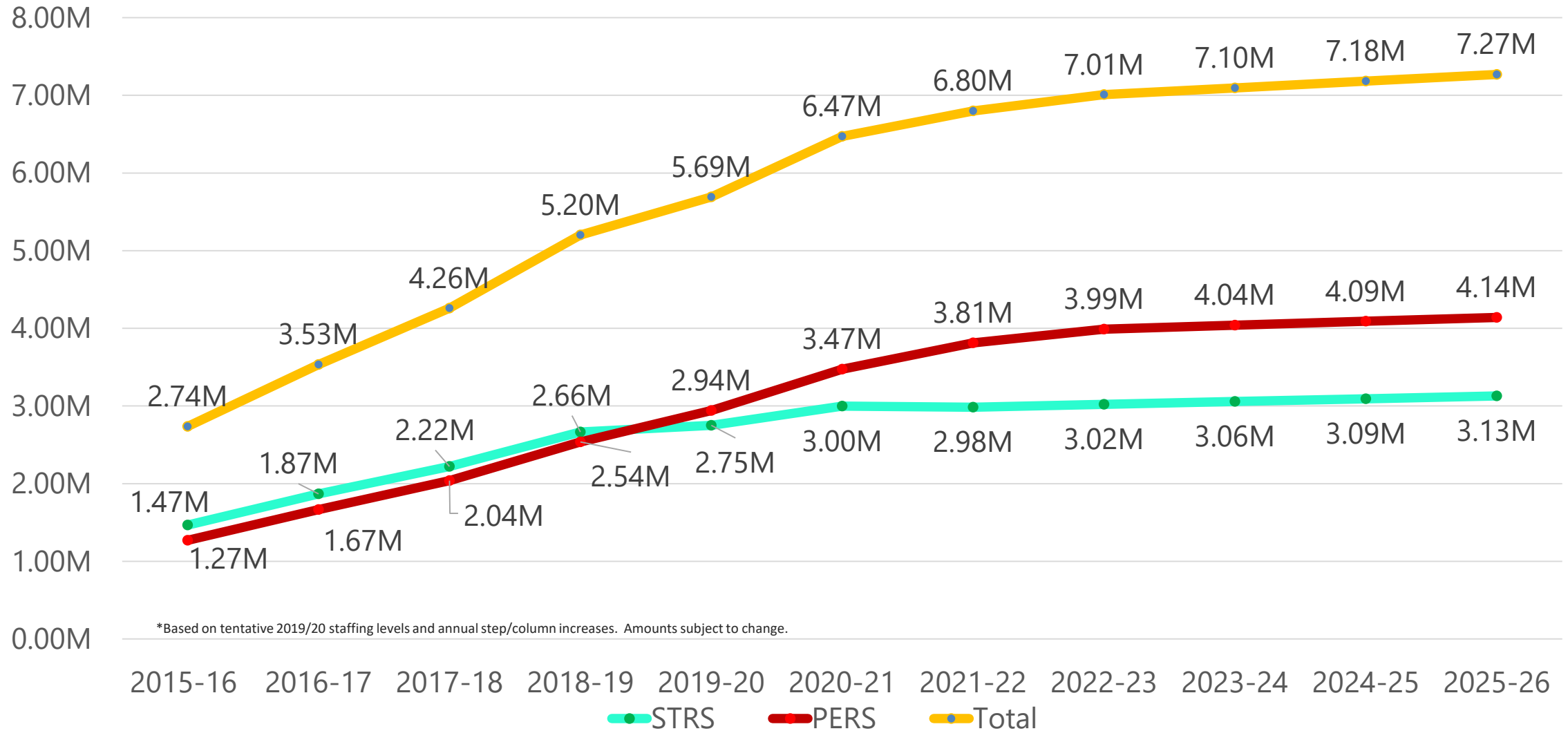
2019-20 Final Budget

Major Expenditures Changes – Unrestricted General Fund (Fund 10)

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	Tentative Budget	Final Budget
<u>Expenditures:</u>		
STRS	16.70%	17.10%
PERS	20.733%	19.72%
Temporary Expenditures Reduction	(\$2.3M)	(\$2.4M)
Part Time Faculty Office Hours	\$150K	\$134K

Retirement Contributions (STRS/PERS) Unrestricted General Fund (Fund 10)



Projected Growth Assumptions (Fund 10)

Allocation	2019/20	2020/21	2021/22	2022/23
Base (FTES)	0%	3%	2%	0%
Supplemental	0%	3%	2%	0%
Student Success	0%	3%	2%	0%

2019-20 Ohlone College Final Budget

Multi-year Budget Projection – Unrestricted General Fund (Fund 10)

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Description	2019-20 Final Budget	2020-21 Projected Budget	2021-22 Projected Budget	2022-23 Projected Budget
Revenue	\$50,264,881	\$52,940,293	\$54,700,277	\$56,564,403
Hold Harmless	\$9,155,084	\$7,952,833	\$7,735,900	0
Total Revenue	\$59,419,965	\$60,893,126	\$62,436,177	\$56,564,403
Expenditures	(\$60,305,516)	(\$61,723,347)	(\$62,390,340)	(\$63,205,486)
Temporary Expenditures Reductions	\$2,425,307	3,548,727	3,548,727	3,548,727
Total Expenditures	(\$57,880,209)	(\$58,174,620)	(\$58,841,613)	(\$59,656,759)
Net Activity	\$1,539,756	\$2,718,506	\$3,594,565	(\$3,092,356)
Beginning FB	\$11,023,157	\$12,562,913	\$15,281,419	\$18,875,983
Ending FB	\$12,562,913	\$15,281,419	\$18,875,983	\$15,783,627
%	21.71%	26.27%	32.08%	26.46%

Expenditures do not include negotiated settlements.

Budget Book Overview

CCC Sound Fiscal Management Self Assessment Checklist

1. **Deficit Spending** – Is this area acceptable? **YES**

Is the district spending within their revenue budget in the current year? Has the district controlled deficit spending over multiple years? Is deficit spending addressed by fund balance, ongoing revenue increases, or expenditure reductions?

2. **Fund Balance** – Is this area acceptable? **YES**

Is the district's fund balance stable or consistently increasing? Is the fund balance increasing due to on-going revenue increases and/or expenditure reductions?

3. **Enrollment** – Is this area acceptable? **YES/NO**

Has the district's enrollment been stable or increasing over the past few years? Are the district's enrollment projections updated at least semiannually? Are staffing adjustments consistent with enrollment trends? Does the district analyze enrollment and FTES data? Has the district avoided stabilization funding?

4. **Unrestricted General Fund Balance** – Is this area acceptable? **YES**

Is the district's unrestricted general fund balance consistently maintained at or above the required reserve minimum of 5%?

5. **Cash Flow Borrowing** – Is this area acceptable? **YES**

Can the district manage its cash flow without interfund borrowing? Is the district repaying any TRANs and/or borrowed funds within the required statutory period?

6. **Bargaining Agreement** – Is this area acceptable? **YES**

Has the district settled bargaining agreements within new revenue sources during the past three years? Did the district address any budget reductions necessary to sustain total compensation increases (step, column, longevity, etc)?

7. Unrestricted General Fund Staffing – Is this area acceptable? **YES**

Is the district ensuring that it is not using one-time funds to pay for permanent staff or other ongoing expenses? Is the % of the district's GFU budget allocated to compensation at or less than the statewide average?

8. Internal Controls – Is this area acceptable? **YES**

Does the district have adequate internal controls to insure the integrity of the general ledger? ... to safeguard district assets?

9. Management Information Systems – Is this area acceptable? **YES**

Is the district data timely and accurate? Are required reports filed in a timely manner? Are key fiscal reports readily available and understandable?

10. Position Control– Is this area acceptable? **YES / NO**

Is position control integrated with payroll? Does the district control unauthorized hiring? Does the district have controls over part-time academic staff hiring?

11. Budget Monitoring – Is this area acceptable? **YES**

Is there sufficient consideration to budget related to long-term bargaining agreements? Are budget revisions completed in a timely manner? Does the district openly discuss the impact of budget revisions at the board level? Does the district compile annualized revenue and expenditure projections throughout the year? Are long term debt levels manageable?

12. Retiree Health Benefits – Is this area acceptable? **YES**

Has the district completed a recent actuarial study to determine its unfunded liability? Does the district have a plan for addressing the retiree benefits liabilities?

13. Leadership / Stability– Is this area acceptable? **YES**

Has the district experienced recent turnover in its management team (including CEO, CBO, and/or Board of Trustees)?

14. District Liability – Is this area acceptable? **YES**

Has the district performed the proper legal analysis regarding potential litigation that may require the district to increase reserve levels? Has the district set up contingent liabilities for anticipated settlements, legal fees, etc.?

15. Financial Reporting – Is this area acceptable? **YES**

Has the district consistently filed the annual audit report with the Chancellor's Office on time? Has the district taken appropriate action to address any material findings cited in the annual audit report? Has the district met the 50% Law consistently? Have Quarterly reports been filed on or before stated deadlines? Were they accurate?



THANKS!

Any questions?