



Major Budget Issues

Mario Rodriguez, CCCC

FON Increase

- Budget provided \$62,320,000 to increase the full-time faculty percentage
- Funds allocated on an FTES basis
 - All three workload rates increased
- Ranked based on ratio of FTES to FON
- Each quintile has roughly same number of FTES

FON Increase

- Quintile 1 FON increases every \$73,057
- Quintile 2 FON increases every \$80,000
- Quintile 3 FON increases every \$95,000
- Quintile 4 FON increases every \$110,000
- Quintile 5 FON increases every \$125,000

FON Increase

- Will report on increase in normal obligation adjustment and FON increase in fall 2016
- Amounts will change throughout the year
- FON increase will not be rounded
- Will be “trued-up” at 2015-16 Recalculation
- Intended to be used for FT and PT faculty

Base Increase

- Budget provided \$266,692,000
- Rural add-on will be doubled
 - \$6,237,675
- Base increase to workload and basic allocation rates
 - \$260,454,325
 - 4.65% increase

Base Increase

- \$410 million in PERS/STRS by 2020-21
- Phase out of P30 in 2016-17
- End of business cycle
- Maintenance factor almost paid off

Exhibit C

**CALIFORNIA COMMUNITY COLLEGES
2015-16 ADVANCE PRINCIPAL APPORTIONMENT
STATEWIDE TOTAL**

EXHIBIT C

Workload measures:	Base Funding	Marginal Funding	Base FTES	Growth FTES	Restored FTES	Stability FTES	Total Funded FTES	Unfunded FTES	Actual FTES
Credit FTES	4,636.492854	4,683.785081	1,076,675.043	31,299.286	15,853.610	0.000	1,123,827.940	0.000	1,123,827.939
Noncredit FTES	2,811.752093	2,840.431965	29,935.673	1,319.851	0.000	0.000	31,255.523	0.000	31,255.523
Noncredit - CDCP FTES	4,636.492854	4,683.785081	37,452.995	815.055	0.000	0.000	38,268.050	0.000	38,268.049
Total FTES:			1,144,063.711	33,434.197	15,853.610	0.000	1,193,351.517	0.000	1,193,351.511

I Base Revenues +/- Restore or Decline

A Basic Allocation	\$520,562,600
B Basic FTES Revenue Before Workload Reduction	\$5,268,821,579
C Workload Reduction	\$0.00
D Revised Base FTES Revenue	\$5,268,821,579
1 Credit Base Revenue	\$5,010,999,350
2 Noncredit Base Revenue	\$84,171,691
3 Career Development College NonCr	\$173,650,538
E Current Year Decline	\$0
Total Base Revenue Less Decline	\$5,789,384,179

V Other Revenue Adjustments

A Misc. Revenue Adjustments	\$-167,202
B Full-Time Faculty Hiring	
C Base Increase	
Total Revenue Adjustments	\$-167,202

VI Stability Adjustment

\$0

VII Total Computational Revenue

(sum of II, III, IV, V, & VI)

\$6,078,980,603

Growth Formula

- Growth formula regulation has been expired since 2008-09
- Recent Growth funding has been used to repay the workload reductions
- New Growth formula replaces current workload restoration process in 2015-16

Growth Formula

- SB 860 required a new growth formula and specified primary “need” factors that must be included in the formula:
 - The number of people who do not have a college degree
 - The number of people who are unemployed, have limited English skills, who are in poverty, or who exhibit other signs of being disadvantaged
 - Both within the district’s boundaries

Growth Formula

- Complies with statutory language
- Attempts to blend “need” factors with actual growth patterns
- An imperfect solution, but one we’re going to implement for at least a few years

Growth Formula

- How the calculation works:
 - Step 1: Calculate need
 - Step 2: Blend with recent growth trends
 - Step 3: Constrained to funded amount
- Future considerations:
 - 2016-17 will include factors
 - How to deal with locally funded districts



Questions?