



Strategic Planning and Allocation of Resources Committee (SPARC)

**Thursday
September 24, 2020**

A close-up photograph of a silver and gold fountain pen resting on a blue-lined notepad. The pen is positioned diagonally from the bottom left towards the center. The background is slightly blurred, showing more of the notepad and a dark surface.

Action Items

Approve September 24 agenda

Approve September 10 minutes

Discussion/Report

Enrollment Update

Budget 101, Part 2

SMCCCD 2020-21 Adopted Budget

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Budget 101, Part 2

Review of Integrated Planning & Resource Allocation

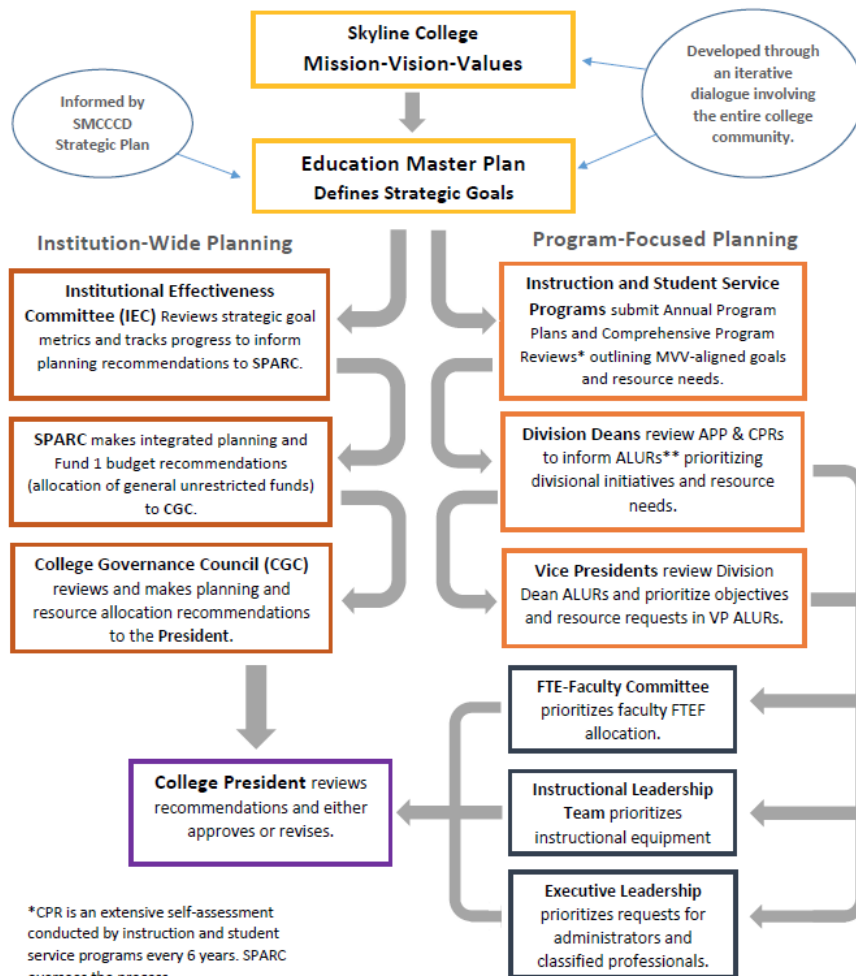
September 24, 2020

Mission



To empower and transform a global community of learners.

Skyline College Integrated Planning and Resource Allocation Model



*CPR is an extensive self-assessment conducted by instruction and student service programs every 6 years. SPARC oversees the process.

**Administrative Leadership Unit Review.

San Mateo County Community College District Funds

Governmental Funds

General Fund - Unrestricted
Fund 1

General Fund - Restricted
Fund 3

Special Revenue
Fund 6
Child Development (60)

Capital Projects
Capital Outlay
Fund 4

Debt Service
Fund 25

Proprietary Funds

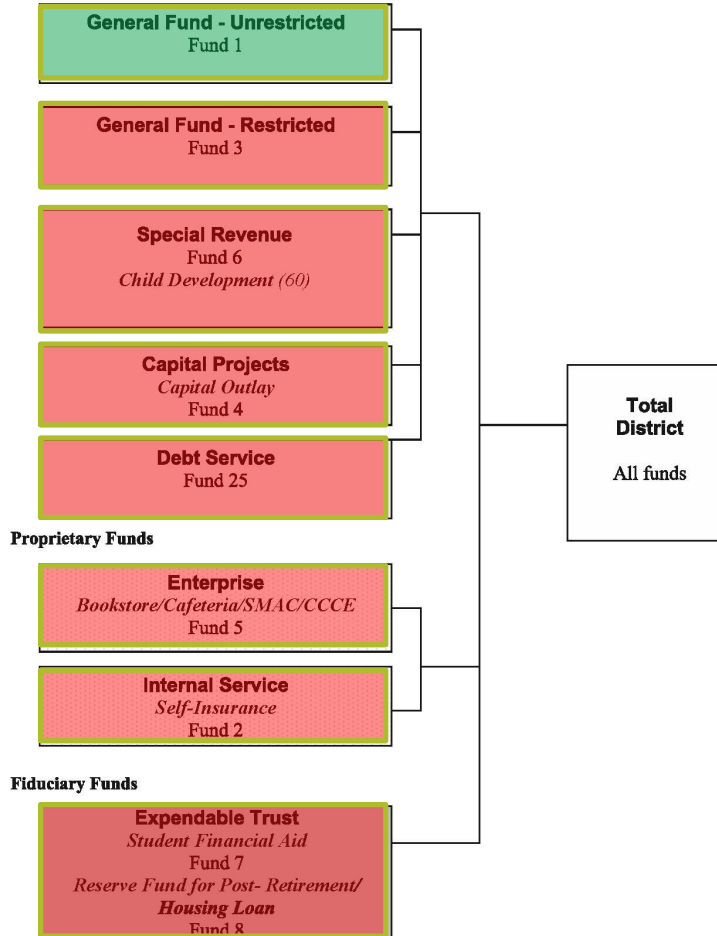
Enterprise
Bookstore/Cafeteria/SMAC/CCCE
Fund 5

Internal Service
Self-Insurance
Fund 2

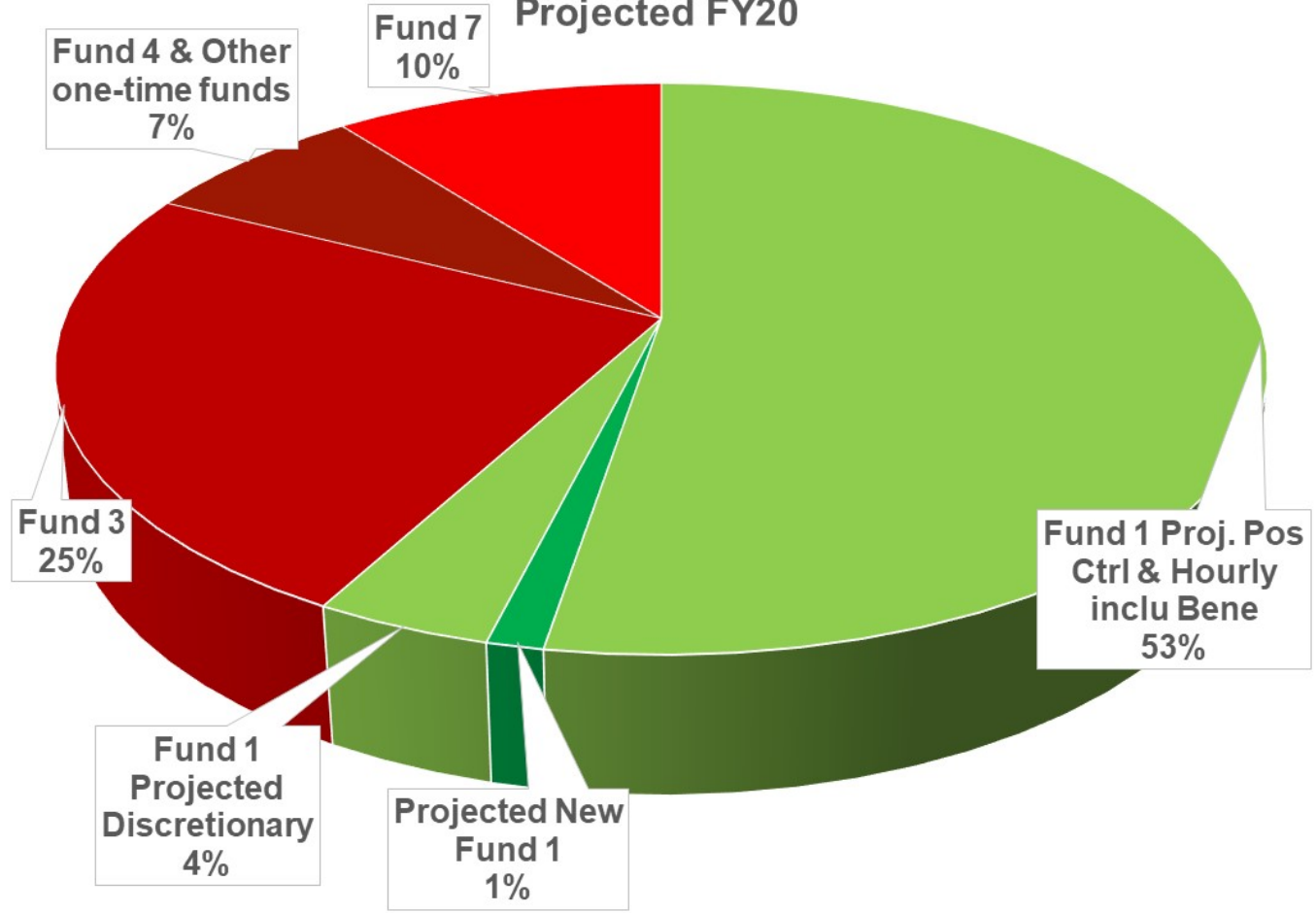
Fiduciary Funds

Expendable Trust
Student Financial Aid
Fund 7
*Reserve Fund for Post-Retirement/
Housing Loan*
Fund 8

Total District
All funds



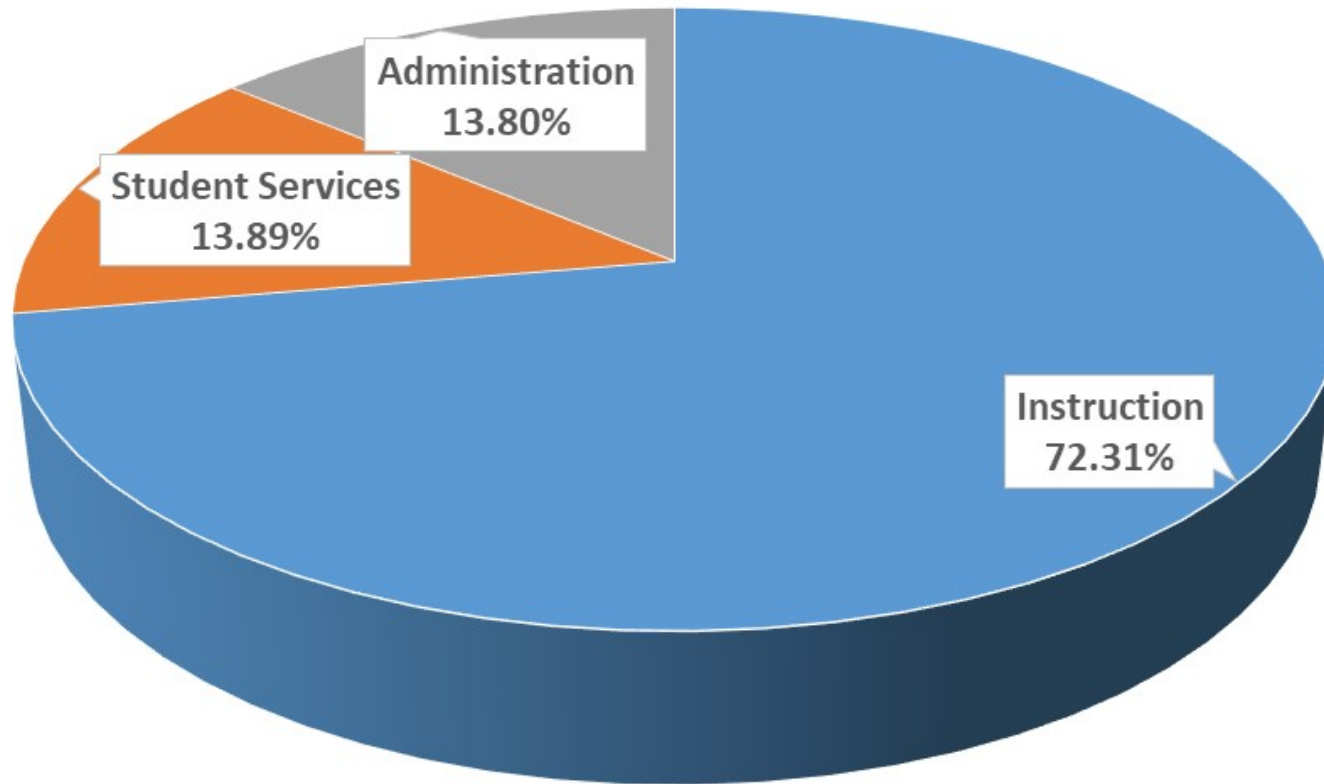
Skyline College Fund Sources Projected FY20



2019-2020 Fund 1 Budget Development <i>(in thousands)</i>	2018-2019 Adopted	2019-2020 Tentative as of May 9, 2019 SPARC	2019-2020 Tentative District	2019-2020 Final as of 8/12/19	Variance Adopted (2018/19 vs 2019/20)
Site Allocation	\$ 44,805	\$ 47,580	\$ 47,591	\$ 48,709	\$ 3,904
Prop 30	\$ 453	\$ 437	\$ 437	\$ 436	\$ (16)
Total	\$ 45,258	\$ 48,016	\$ 48,027	\$ 49,145	\$ 3,887
Position Control Salaries	\$ 23,755	\$ 24,694	\$ 24,725	\$ 24,928	\$ 1,173
Position Control Benefits	\$ 9,874	\$ 10,221	\$ 10,536	\$ 10,642	\$ 768
Projected Position Ctrl Savings		\$ 465			\$ -
Prop 30 Salary	\$ 332	\$ 321	\$ 321	\$ 321	\$ (11)
Prop 30 Benefits	\$ 121	\$ 115	\$ 115	\$ 115	\$ (6)
1310 salary	\$ 6,177	\$ 5,785	\$ 5,785	\$ 5,981	\$ (196)
All other hourly salaries (hsallc)	\$ 1,642	\$ 1,726	\$ 1,409	\$ 1,408	\$ (233)
Hourly Benefits	\$ 915	\$ 1,127	\$ 1,086	\$ 915	\$ -
General & Operating Expenditures (nsallc)	\$ 3,311	\$ 3,488	\$ 3,777	\$ 3,740	\$ 429
Adjustment to balance	\$ (867)	\$ -	\$ -	\$ -	\$ 867
	\$ 45,258	\$ 47,943	\$ 47,754	\$ 48,049	\$ 2,792
2019-2020 New Available Funds		\$ 74	\$ 273	\$ 1,096	

<u>2020-2021 Fund 1 Budget Development</u>	<u>2018-2019 Adopted</u>	<u>2019-2020 Adopted</u>	<u>2020-2021 Tentative</u>	<u>2020-2021 Adopted</u>	<u>Variance Adopted (19/20 vs 20/21)</u>	<u>Comments</u>
Site Allocation	\$ 44,804,889	\$ 48,708,562	\$ 50,106,663	\$ 51,099,837	\$ 2,391,275	
Prop 30	\$ 452,691	\$ 436,340	\$ 425,832	\$ 425,832	\$ (10,508)	
Total	\$ 45,257,580	\$ 49,144,902	\$ 50,532,495	\$ 51,525,669	\$ 2,380,767	
Position Control Salaries	\$ 23,754,588	\$ 25,248,636	\$ 25,828,527	\$ 25,814,939	\$ 566,302	<i>Includes step/column/LSI for all, COLA for non-reps only</i>
Position Control Benefits	\$ 9,873,563	\$ 10,757,190	\$ 10,848,913	\$ 10,455,474	\$ (301,716)	
Projected Position Ctrl Savings		\$ -			\$ -	
Prop 30 Salary	\$ 331,881	\$ 321,061	\$ 310,553	\$ 310,553	\$ (10,508)	
Prop 30 Benefits	\$ 120,810	\$ 115,279	\$ 115,279	\$ 115,279	\$ -	
1310 salary	\$ 6,176,752	\$ 6,176,752	\$ 6,176,752	\$ 6,176,752	\$ -	
All other hourly salaries (hsallc)	\$ 1,641,523	\$ 967,959	\$ 854,752	\$ 854,752	\$ (113,208)	
Hourly Benefits	\$ 914,599	\$ 914,599	\$ 914,599	\$ 914,599	\$ -	
General & Operating Expenditures (nsallc)	\$ 3,310,956	\$ 3,613,784	\$ 4,875,465	\$ 5,001,227	\$ 1,387,443	
19-20 Estimated COLA				\$ 1,597,172	\$ 1,597,172	<i>Est COLA for AFT CSEA Non Rep Non Exempt</i>
Adjustment to balance	\$ (867,092)	\$ 1,029,642	\$ 607,655	\$ 284,922	\$ (744,720)	
	\$ 45,257,580	\$ 49,144,902	\$ 50,532,495	\$ 51,525,669	\$ 2,380,767	

Skyline College FY2019-2020 Year-End Actual, Fund 1A



■ Instruction ■ Student Services ■ Administration

Budget Scenario Categories

- “CPI” = adjustment for inflation, “Consumer Price Index”
- New Full-time-equivalent additions to personnel (“FTE”)
- Strategic Initiatives (“College Redesign”)
- General Operating / “Discretionary” (supplies, materials, part-time hourly)
- Instructional Equipment
- Provision for One-Time Budget Needs

SPARC Group Exercise for Proposed 2019-2020 New Fund 1 Resource Allocation

		<i>Scenario 1</i>			<i>Scenario 2</i>			<i>Scenario 3</i>		
Total Available Balance		\$ 1,095,604			\$ 1,095,604			\$ 1,095,604		
	CPI - distribute to Divisions	\$ (111,474)			\$ (111,474)			\$ (111,474)		
	% One-time budget requests	\$ (100,000)			\$ (100,000)			\$ (100,000)		
Available Balance		\$ 884,130			\$ 884,130			\$ 884,130		
	% for New Positions	\$ (289,055)		32.7%	\$ (289,055)		32.7%	\$ (289,055)		32.7%
Category 1	New Faculty	\$ (75,186)		1.00	\$ (75,185.98)		1.00	\$ (75,186)		1.00
Category 2	Classified Professional Administrator/Director	\$ (213,869)		2.00	\$ (213,869)		2.00	\$ (213,869)		2.00
		\$ -		-	\$ -		-	\$ -		-
Category 3	% for College Innovative Strategies	\$ (397,858)	45.0%	45.0%	\$ (256,398)	29.0%	29.0%	\$ (308,650)	34.9%	34.9%
Category 4	% for General Operating/Discretionary	\$ (98,580)	11.2%	11.2%	\$ (169,311)	19.2%	19.2%	\$ (56,540)	6.4%	6.4%
Category 5	% for Instructional Equipment (TCC)	\$ (98,580)	11.2%	11.2%	\$ (169,311)	19.2%	19.2%	\$ (229,874)	26.0%	26.0%
		\$ 55		100.0%	\$ 55		100.0%	\$ 11		100.0%

Salary & Benefit Calculations (see Step 2)

			<i>Administrator</i>	193E, Step 4	\$ 141,204		35.3%	\$ 191,049		
			<i>Classified Professional</i>	Grade 27, Step 3	\$ 69,348		54.2%	\$ 106,935		
			<i>Faculty, Instruction</i>	Grade 4, step 6	\$ 92,988		39.4%	\$ 129,662		
			<i>Adjunct, Instruction</i>	Step 7, lecture	\$ 48,605		12.1%	\$ 54,476		
			<i>Net Cost</i>					\$ 75,186		

Strategic Initiatives FY2020-2021

Proposed Support

- Promise – Fully supported from Fund 3
- Counseling Redesign (& SSSP)
- Guided Pathways / Redesign
- Zero Textbook Cost (ZTC)
- Programs and Online Degree Development (PODD)
- High Impact Practices (HIPs)





FY2021 Budget approved by Board of Trustees:



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COMMUNITY
COLLEGE DISTRICT

**Fiscal Year 2020-2021
Adopted Budget Report**

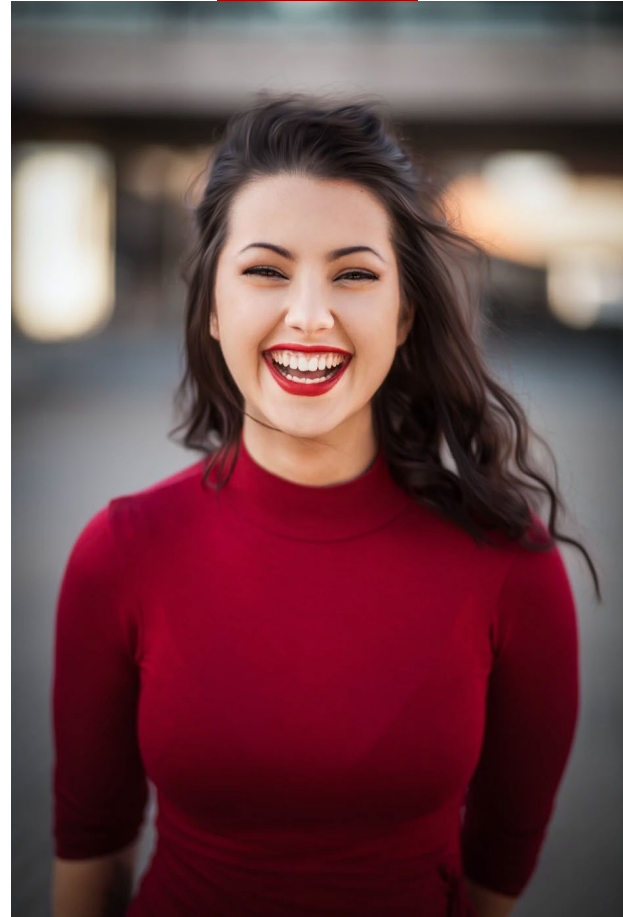
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Thanks!

Questions?

Comments



2020-21 ADOPTED BUDGET

SPARC MEETING
SEPTEMBER 24, 2020



SAN MATEO COUNTY
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COLLEGE DISTRICT

Budget Highlights



- ▶ 2020-21 Budget is balanced
- ▶ The District will be able to provide support for the Promise Scholars Program and serve 2,000 students
- ▶ Property taxes projected to increase 7.02% over 2019-20
- ▶ The reserves are, as planned, at 15%
- ▶ Funds set aside to address the impact of COVID-19
- ▶ Commitment towards 50% law compliance
- ▶ Future is uncertain (local, state, federal funding)

2019-20 in the Rear View Mirror

- ▶ Highlights

- ▶ Provided support to students and staff despite pandemic
- ▶ Provided direct support to students with food insecurities
- ▶ Provided support to students and the community via Second Harvest Food Distribution
- ▶ Pivoted from face-to-face to online in a week and then spent Summer improving online delivery

2019-20 in the Rear View Mirror

2019-20 Covid-19 Related Expenses	\$ (in millions)
Unrestricted General Fund	\$ 1.2
Restricted General Fund - CARES Act (Student Aid)	2.9
Restricted General Fund - CARES Act (Institutional)	0.6
Total Expenses	\$ 4.7
2019-20 Covid-19 Revenue Loss	\$ (in millions)
General Fund (Enrollment, Parking refunds)	\$ 0.6
Child Development Center, Passport Office, Others	0.1
Community Education	0.3
Cafeteria	.05
Bookstores	0.6
SMAC	0.7
Total Revenue Loss	\$ 2.25
Total Impact:	\$ 6.95

Overview



- ▶ Budget Guidelines
- ▶ State Budget
- ▶ Budget Assumptions
- ▶ General Fund Summary 2019-20 Budget vs. 2020-21 Budget
- ▶ PERS and STRS Rates Impact on SMCCCD
- ▶ 2020-21 Initiatives
- ▶ Other Funds (Categorical, Capital Outlay, Retirement Trust)
- ▶ Challenges In Years Ahead
- ▶ Summary

Budget Guidelines



- ▶ Address Board goals and District Strategic Plan
- ▶ Address community needs
- ▶ Support College budgeting priorities in accordance with participatory governance measures and accreditation standards
- ▶ Balance budget projections in each of the next three years
- ▶ Use one-time funds for one-time expenses
- ▶ Maintain adequate reserves

State Budget



- ▶ Governor signed the budget into law June 30, 2020
 - ▶ Continued support for California College Promise
 - ▶ CalSTRS and CalPERS Relief
 - ▶ \$223.1 million in Proposition 51 bond funds for community college facilities projects
 - ▶ Skyline College - Workforce and Economic Development Center, CSM - Water Supply Tank Replacement, and Cañada College - Building 13-multiple Program Instructional Center
 - ▶ Student Equity and Achievement Program - requirement to support or establish on-campus food pantries or regular food distribution programs
 - ▶ Payment (Cash) Deferrals

State Budget



- ▶ Classified Employees - prohibits districts from laying off any permanent or probationary employees with classifications in nutrition, transportation, or custodial services during 2020-21
- ▶ Strong Workforce Program - encourages districts to expedite the development of short-term CTE courses to address the impact of the pandemic
- ▶ Fifty Percent law - exempts COVID-19-related expenditures from the calculation through June 30, 2021
- ▶ Student Aid - provides \$11 million for emergency financial aid to undocumented community college students redirected from the Dreamer Incentive Grant Program

Adopted Budget Assumptions



- ▶ Property tax increase: 7.02%
- ▶ Enrollment: Resident FTES 14,373 (1.54% projected decline from 2019-20)
 - ▶ Resident Tuition: \$46/unit - no increase
 - ▶ Prop 55 (EPA): Ongoing \$100/FTES
 - ▶ Lottery: \$150/FTES
 - ▶ Mandated Cost Block Grant: \$30.16/FTES
- ▶ Non-resident Tuition: \$288/unit
- ▶ Inflation: .98% based on CA CPI
- ▶ State FTES Access/Growth: 0%
- ▶ State COLA: 0%

Year-to-Year Comparison: Fund 1 Revenue

	2019-20 Budget	2020-21 Budget	Change
Property Taxes	\$156,641,213	\$165,666,425	\$9,025,212
Student Fees	8,466,977	8,150,650	(316,327)
RDA Funds	12,823,584	14,970,114	2,146,530
Nonres. Tuition (int'l and out-of-state)	8,920,268	4,733,625	(4,186,643)
EPA	1,462,741	1,437,300	(25,441)
Other Rev/Tsfrs	13,226,032	13,453,853	227,821
Total	\$201,540,815	\$208,411,967	\$6,871,152

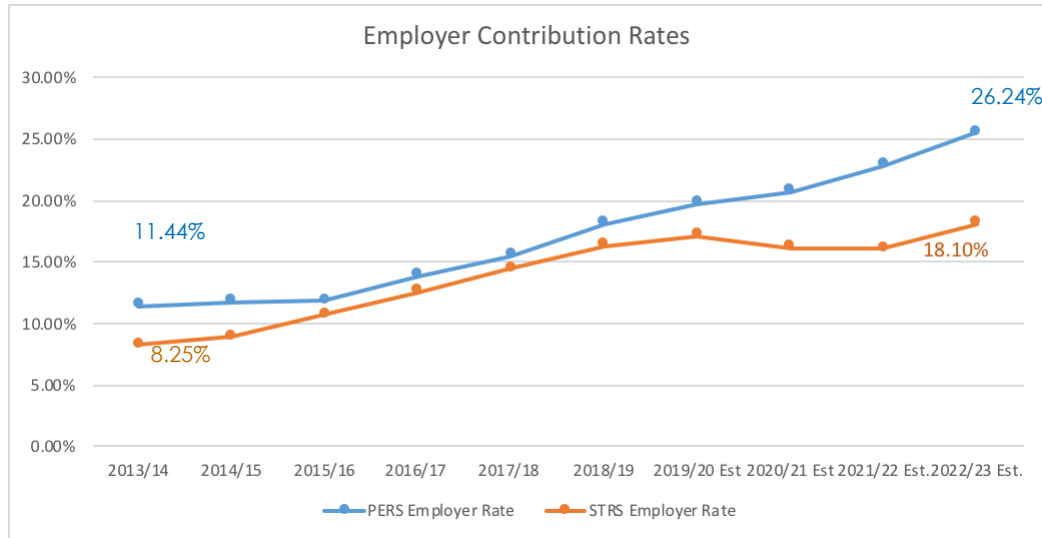
Year-to-Year Comparison: Fund 1 Expenses

	2019-20 Budget	2020-21 Budget	Change
Salaries & Benefits	\$164,049,391	\$167,521,688	\$3,472,297
Materials & Operating	40,264,792	51,172,246	10,907,454
Capital Outlay	2,260,916	2,461,157	200,241
Transfers / Other	7,894,085	9,987,199	2,093,114
Total	\$214,469,184	\$231,142,290	\$16,673,106

Budget Summary

	2019-20 Actual	2020-21 Budget
Beginning Fund Balance (15% reserve)	30,231,123	31,561,795
Carryovers/set aside	12,928,365	22,730,319
Reserve for Unrealized gain/Fair Market value Adjustment (GASB Entry)		1,431,079
Total Beginning Balance	43,159,488	55,723,193
Revenue	208,282,993	208,411,967
Expenses/transfers	195,719,288	208,411,967
Budgeted Carryovers		22,730,323
Net	12,563,705	(22,730,323)
Ending Fund Balance	55,723,193	32,992,870

PERS and STRS Rates Impact on SMCCCD

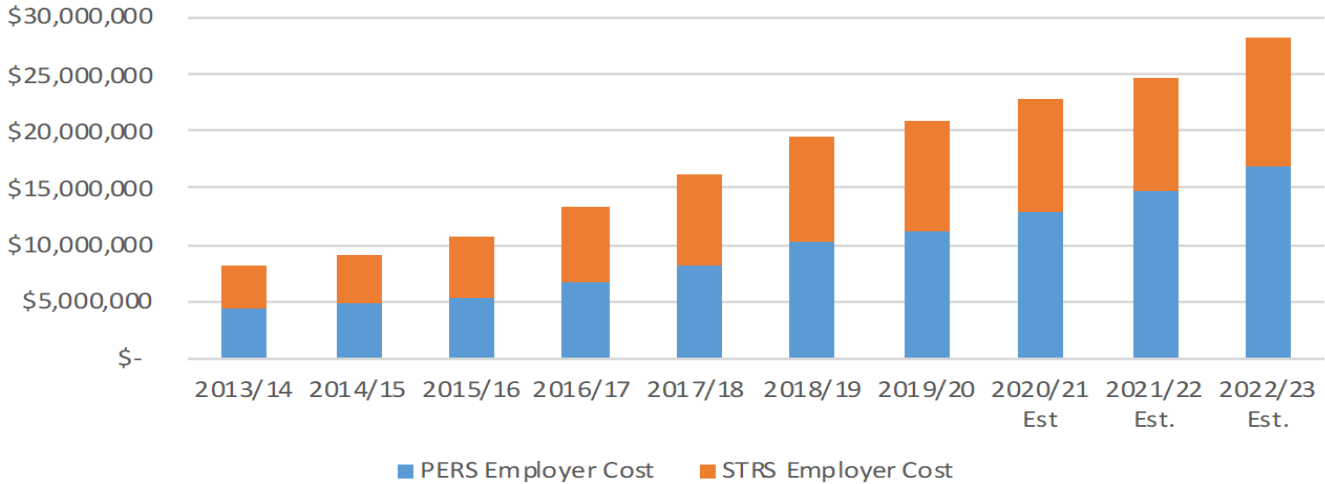


PERS and STRS Rates Impact on SMCCCD



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Employer Costs



2020-21 Initiatives



- ▶ Promise Scholars Program (continuing to serving 2,000 students)
 - ▶ \$1.5M California College Promise-AB 19
 - ▶ \$300K Foundation
 - ▶ \$400K Auxiliary
 - ▶ \$300K Housing
 - ▶ \$700K Other
- ▶ \$800K Equity Institute
- ▶ \$1M Food Insecurity Initiative
- ▶ COVID-19 mitigation
 - ▶ \$1.1M COVID-19 Contingency (set-aside)
 - ▶ \$1.6M State Block Grant
 - ▶ \$1.4M Direct Aid to Students from CARES Federal Funding
 - ▶ \$1M Institutional Support and Professional Development from CARES Federal Funding

50% Law – Projections for 2020-21

- ▶ Based on calculations and projections as of this moment (adopted budget assumptions on enrollment, expenses, not including COLA, if negotiated, etc.): 50% Law calculation is estimated to be approximately 43.03% for 2020-21
- ▶ District plans to address the impact on teaching faculty by:
 - ▶ Increasing 75/25 ratio
 - ▶ \$700K in ongoing budget allocated to convert part-time to full-time faculty as follows: 4 teaching faculty at Skyline College, 3 teaching faculty at CSM, and 3 teaching faculty at Cañada College
- ▶ Support legislative changes: advocate to include non-teaching assignments in calculation
- ▶ Other

Categorical Programs

Program	2019-20 *	2020-21 Estimate	Change
AB19 (Promise)	\$1,495,599	\$1,597,541	\$101,942
Adult Ed Block Grant	\$517,505	\$517,505	\$0
Apprenticeship	\$467,362	\$466,320	-\$1,042
CalWORKS	\$400,020	\$397,539	-\$2,481
Covid-19 Block Grant	\$0	\$1,652,948	\$1,652,948
DSPS/EOPS/ Foster/CARE	\$4,118,268	\$4,094,242	-\$24,026
Equal Employment Opportunity	\$50,000	\$50,000	\$0
SFAA/Financial Aid Technology	\$868,663	\$853,940	-\$14,723
FT Faculty	\$1,771,589	\$1,771,589	\$0
Guided Pathways	\$491,602	\$196,641	-\$294,961

Categorical Programs (continued)

Program (continued)	2019-20 *	2020-21 Estimate	Change
Hunger Free Campus	\$70,997	\$0	-\$70,997
BOG Fee Waiver Admin	\$165,387	\$155,415	-\$9,972
Nursing Education	\$189,039	\$189,039	\$0
PT Faculty**	\$683,050	\$491,966	-\$191,084
Strong Workforce	\$2,104,371	\$2,147,587	\$43,216
Student Equity & Achievement	\$6,478,212	\$6,478,212	\$0
Student Success Completion Grant	\$1,354,880	\$1,395,526	\$40,646
Veteran's Resource Center	\$224,588	\$224,588	\$0
Total	\$21,451,132	\$22,680,598	\$1,229,466
Percentage Increase			5.73%

* 2019-20 P-2 ** In 2019-20 state provided one-time funding, not available in 2020-21

Capital Outlay

- ▶ Spending down GO Bond funds
- ▶ Continued state funding for three projects under Prop 51 funding :
 - ▶ Campus Water Tank Replacement at CSM
 - ▶ Building 13 – Multiple Program Instructional Center at Cañada College
 - ▶ Building 2 - Workforce and Economic Development Prosperity Center at Skyline College.
- ▶ No Scheduled Maintenance funds allocated in this year's state budget

Retirement Trust Fund-OPEB

Change In Portfolio	
Portfolio Value 7-1-2019	\$123,079,056
Change in Market Value	1,010,576
Income Received	4,919,681
Portfolio Fees	(487,454)
Portfolio Value 6-30-2020	\$128,521,859
Net OPEB Liability 6-30-2020	\$117,982,866
(Under)/ Over Funded	\$10,538,993

Looking Ahead

▶ **2021-22 Challenges:**

- ▶ Property taxes (projected reduction in year-over-year increase)
- ▶ Non-resident tuition enrollment / revenue
- ▶ Resident enrollment
- ▶ Insurance
- ▶ Parking Fund support
- ▶ SELF (AB218 assessment – year 2 of 3)
- ▶ Covid-19 mitigation - (potentially no state / federal funds)
- ▶ Categorical funding – potential state reductions
- ▶ Utilities cost increases
- ▶ Personnel costs

Summary



- ▶ 2020-21 Budget is balanced
- ▶ Budget is guided by the District's Strategic Plan
- ▶ Provides resource for:
 - ▶ Students
 - ▶ Employees
 - ▶ Community
- ▶ The reserves are, as planned, at 15%
- ▶ Resources set aside for Covid-19 mitigation
- ▶ 2020-21 Final Budget is ready for adoption



SAN MATEO COUNTY
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QUESTIONS?

Thank You!



Next meeting

Thursday

October 8, 2020

Zoom