



# The Who, What, Where and When of FON in California Community Colleges

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# Goals for Presentation

(SLOs – Student Learning Outcomes)

- Full-Time Faculty Obligation Number (FON) timelines
- How FON is calculated at the Chancellor's Office
  - When the BOG determines adequate funds
  - When the BOG determine inadequate funds
- Consequences of not meeting FON
  - Penalty
  - NO waivers!

# What is the FON?

Pursuant to Education Code Section 87482.6 and CCR Title 5 Section 51025, the FON is the number of full-time faculty a district is required to employ each Fall as adjusted by the lower of the projected fundable growth at the time of the budget enactment (at Advance) OR the actual percentage change in funded credit FTES from the prior year (at P2).

# History of FON

- AB1725 (passed in 1988) established a goal to reach 75% of instructional hours to be taught by full-time faculty.
- Funding was initially appropriated in reaching this goal.
- Baseline FON Compliance Established (based on local FON in 1988-1989)
- FON increased proportionally with funded credit FTES
- Board of Governors take action (in November) to determine if there are adequate funds in the current year to increase FON for the following year Fall.

# FON Calculation Fundamentals

- Calculation is based upon credit funded FTES
  - From Apportionment Exhibit C or E
- Compliance FON = lower of Advance FON or P2 FON
- If the Apportionment has a Deficit factor
- FON is adjusted at P2
- Deficit factor not known until P1

# Annual Timelines

- **September:** Advance FON provided for next Fall
- **November:** BOG determines adequacy of funding for current fiscal year; effects next Fall's FON
- **November 15:** Districts submit current Fall numbers
- **January:** Penalties determined for past Fall FON
- **June:** P2 FON and Compliance FON provided for next Fall

# Adequate vs. Inadequate Funds

- The BOG takes action to determine adequacy of funding (COLA, Growth, Funds for other core programs) to increase FON.
- The BOG determined inadequate funding is provided in budget acts 2008-09 through 2012-13 and therefore FON has been frozen at Fall 2008 compliance number.
  - Districts could comply at Frozen FON or
  - The Percentage of Full-Time/Part-Time ratio reported at the time FON was frozen
- The BOG determined adequate funding provided in 2013-14 budget act and therefore FON adjusted by percentage growth in credit funded FTES for Fall 2014.
- The Consultation Council reviewed and determined adequate funding in the 2014-15 budget act and BOG to take action on this recommendation in November 2014 (FON increase anticipated for Fall 2015)
  - Statutory COLA, Growth, SSSP, Student Equity, Deferred Maintenance/ Instructional Equipment funding.

# Consequences of not meeting FON

- Penalty (Apportionment reduction)
  - Number of Faculty positions to be filled in achieving FON multiplied by Average replacement cost of a Full-Time Faculty (\$73,057 for Fall 2014)
- No Waiver
  - Title 5 section 51025 (e) does not provide authority to waive the penalty for noncompliance
- Funds from Penalty
  - Distributed systemwide (one-time) to fund diversity in hiring (E.C.S. 87107)



# FON - The CBO's Perspective

- Planning
- Funding



# Planning

- It's ALL an Estimate
- Advance – Estimate based on Budget Act (2.75% + - )
- P-2 – Based on estimated growth and estimated deficit
- Compliance = lesser of two “estimates”



# Planning (cont.)

- **Remember!**
- Base is adjusted to actual CR FTES and actual deficit
- Account for actual growth between advance or P-2, and recalc to adjust your base
- Account for this difference PLUS estimated CR FTES growth your district expects to achieve in CY



# Planning (cont.)

- “My district is growing, but my FON is growing faster!”
- District growth in credit FTES, decline in noncredit FTES
- Summer “shift” affect
- Short-term bumps
- Adjustments to the base
  - Credit FTES
  - Deficit factor



# Planning for Enrollment Declines

- Entire state declines = inadequate funds > Option B
- My district declines, but adequate funds > No Option B!
- Retirement Incentive? – Generally, with no replacement hiring!

- Step 1.        Prioritize and Plan in the Fall
- Step 2.        Recruit and hire in the Spring



- Your Plan may have several variables, contingencies, and risks you need to account for (not to mention pressure from the faculty)

# What Counts?

- Non-instructional FT faculty – Yes
- Noncredit faculty – No
- FT faculty overload – No
- Grant funded faculty:
  - If tenure-track – Yes
  - If non tenure-track – No
- FT Substitutes – No, but...
- Faculty reassign time – Yes
- Sabbatical/unpaid leave– Yes
- Classified staff and Administrators teaching – Yes, but...
- Late Retirements (w/in 45 days) & Failed Recruitments - Yes
- Funded by Temporary Parcel Tax revenue - No



# Covering the Cost of New Faculty

- Growth funding of course!
- Part-time faculty budget at full load
- Faculty replacement savings
- Special funding
  
- Penalty = \$73,057
- Cost of FT faculty (approx. \$100K):
  - Salary \$68,000
  - H & W \$10,000
  - Medical \$18,000
  - OPEB \$ 2,000



Note: Full-time faculty will generally absorb the load that was taught by part-time faculty. A full-time faculty hire is a million dollar investment.

# Things to Keep in Mind

- AB1725 designed to reach 75/25 ratio (but without any funding)
- “Good faith effort” to make progress toward the ratio (statewide goal)
- Impacts 50% law



- Instructional Service Agreements (ISAs) – if they generate growth in credit FTES, then FON will also grow
- The FON is the floor, not the ceiling (faculty may remind you of this), a mechanism to maintain status quo at best



# Oh, and by the way...Accreditation

- Eligibility Requirement 13 (now 14). Faculty
  - The institution has a substantial core of qualified faculty with full-time responsibility to the institution... is sufficient in size and experience...responsibilities must include development and review of curriculum as well as assessment of learning.
- Standard III.A.2 (now III.A.7)
  - The institution maintains a sufficient number of qualified faculty with full-time responsibility to the institution.



# A Very Different Perspective

- Coming out of the “freeze” (compliance versus calculated FON)
- Managing the FON much more closer than you’ve had to



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# Questions?

