



One Mission... Multiple Paths to Success!



ACBO 2017 Fall Conference Presentation
October 24, 2017



San Diego Community College District, SD City College, SD Mesa College & SD Miramar College

Presenters:

- District CBO: Dr. Bonnie Ann Dowd, CMA
Executive Vice Chancellor
- City CBO: Dr. Seher Awan,
VP Administrative Services
- Mesa CBO: Dr. Rachelle Agatha, CPA
VP Administrative Services
- Miramar CBO: Brett Bell, CPA
VP Administrative Services



California Community College Mission



- Open Access to Higher Education
- Transfer Education
- Career Technical Education
- Adult/Continuing Education
- Basic Skills/Remedial Education
- Support Services
- Economic Development
- Bachelor's Degree Pilot Program



The San Diego Community College District

- California's second-largest community college district
- Serves the City of San Diego and surrounding region
- 5 Member Elected Board of Trustees
- Student Trustee (Rotating)





SDCCD Mission & Functions

Instruction

- Basic Skills to Honors
- Transfer Programs
- A.A. & A.S. Degrees
- Career Technical Education Certificates
- High School Diploma / G.E.D.
- English Language Acquisition & Citizenship Training
- Skills Upgrading / Enrichment
- Military Education
- Bachelor's Degree Pilot Program

Support Services

- Counseling, Tutoring, Financial Aid

Co-Curricular

- Performance Groups, Athletic Teams, Etc.

Understanding & Respect for Diversity

Community Partnerships





San Diego County's 20 Largest Employers

1. UC, San Diego
2. Sharp HealthCare
3. Scripps Health
4. Qualcomm Inc.
5. City of San Diego
6. Kaiser Permanente
7. UC San Diego Health System
8. **San Diego Community College District**
9. General Atomics (and affiliated companies)
10. Rady Children's Hospital-San Diego
11. YMCA of San Diego County
12. San Diego State University
13. Sempra Energy
14. Palomar Health
15. Northrop Grumman Corp.
16. SeaWorld San Diego
17. General Dynamics NASSCO
18. University of San Diego
19. BD (Becton, Dickinson, and Co.)
20. Solar Turbines Inc.

Source: *San Diego Business Journal Book of Lists 2017*



60,000 Students Enroll in Credit Colleges



SAN DIEGO CITY COLLEGE



SAN DIEGO MESA COLLEGE



SAN DIEGO MIRAMAR COLLEGE



45,000 Students Enroll in Continuing Education



- Educational Cultural Complex
- César Chávez Campus
- Mid-City Campus
- North City Campus
- West City Campus
- At Mesa College
- At Miramar College



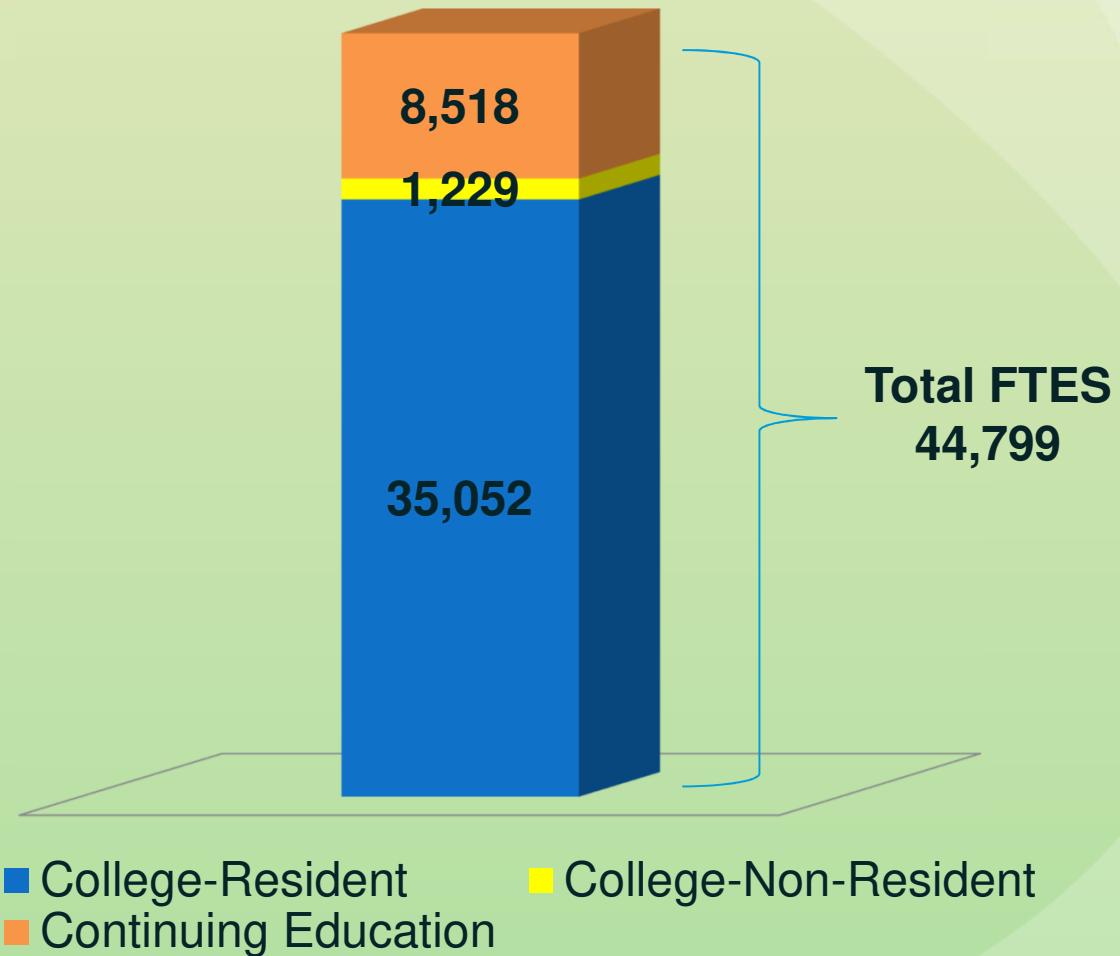


Military Base Programs



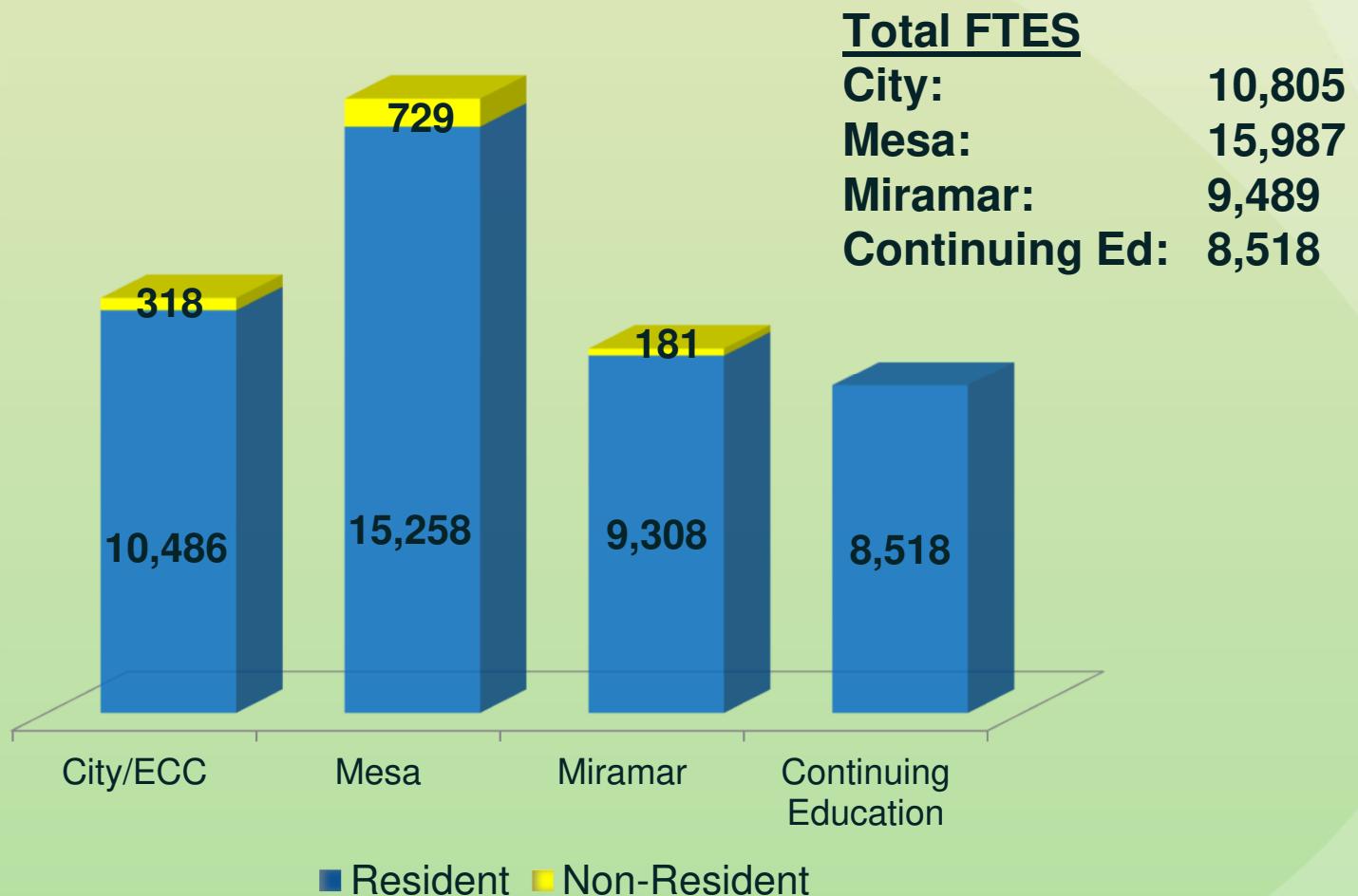


Districtwide Actual FTES 2016-2017





Resident and Non-Resident FTES 2016-2017





San Diego Community College District

Associate Degrees for Transfer

The following degrees have been approved by the State Chancellor's Office:

City College

Agriculture Plant Science
Anthropology
Art History
Biology
Business Administration
Communication Studies
Elementary Teacher Education
English
Geography
Geology
History
Journalism
Kinesiology
Mathematics
Philosophy
Physics
Political Science
Psychology
Sociology
Spanish
Studio Arts
Theatre Arts

Mesa College

Anthropology
Art History
Business Administration
Communication Studies
Economics
Elementary Teacher Education
English
Geography
Geology
History
Journalism
Kinesiology
Mathematics
Nutrition and Dietetics*
Philosophy
Physics
Political Science
Psychology
Sociology
Spanish
Studio Arts
Theatre Arts

Miramar College

Administration of Justice
Anthropology
Art History
Biology
Business Administration
Communication Studies
Economics
English
Geology
History
Kinesiology
Mathematics
Nutrition and Dietetics*
Philosophy
Physics
Political Science
Psychology
Sociology
Spanish
Studio Arts

* New Degree



Mesa College Baccalaureate Degree 15 Colleges Approved for Pilot

<u>College</u>	<u>Program</u>
Antelope Valley College	Airframe Manufacturing Technology
Bakersfield College	Industrial Automation
Cypress College	Mortuary Science
Feather River College	Equine Studies
Foothill College	Dental Hygiene
MiraCosta College	Bio-manufacturing
Modesto Junior College	Respiratory Care
Rio Hondo College	Automotive Technology
San Diego Mesa College	Health Information Management
Santa Ana College	Occupational Studies
Santa Monica College	Interaction Design
Shasta College	Health Information Management
Skyline College	Respiratory Care
Solano College	Biotechnology
West Los Angeles College	Dental Hygiene





Adult Education Block Grant

- Goal: Formation of Adult Education regional planning consortia of at least one community college district and one public school district. SDCCD and SDUSD have formed a consortium.
- Funding: \$25 million to provide 2-year planning and implementation grants. San Diego Adult Education Consortium received \$2.7 million annually for the past three years.
- Planning grants awarded under AB 86
- Implementation funding falls under AEBG
 - Elementary and secondary basic skills classes
 - Immigrant education, including citizenship and ESL classes
 - Disability Support Programs and Services (DSPS) classes
 - Short-term career technical education programs
 - Programs for apprentices





District Resource Allocation & Budget Development Process

Dr. Bonnie Ann Dowd, CMA
Executive Vice Chancellor,
District Chief Business Officer



Budget & Fiscal Reporting Requirements

- Tentative Budget – June 15th
- Adopted Budget – September 15th
- 320 Apportionment Attendance Report (P1, P2 and Recal)
- 311Q and 311 Annual Report
- Independent Annual Audits

* SDCCD Preliminary Budget – April of each year



SDCCD District Budget Development Process

- Chancellor's Cabinet establishes FTES targets (SDCCD targets a minimum of 1% unfunded FTES)
- GFU Districtwide Budget Allocation Model (BAM)
 - Project revenue based upon FTES target
 - Identify reserves and set-asides (e.g., vacant positions, CBA commitments)
 - Campus allocations (based upon **Campus Allocation Model (CAM)**)
 - District Office (Planning and resource needs identified)
 - Districtwide Support Allocations
- Compare Revenue and Expense
- Revenue less than expenses identify if sufficient beginning fund balance exists in order to cover any shortfall
- If not, reduce expenses



State Apportionment and Other State Revenue General Fund Unrestricted

SDCCD

Campus Allocation Budget Model (CAM)

Campus Earned FTES in Prior Year

Includes:
Credit, CDCP & Non-credit Resident FTES
Credit, CDCP & Non-Credit Non-Resident FTES

Funded FTEF for Class Sections

- @ 17.5 FTES/FTEF colleges and 15.75 for CE each term.
- Funding ratios reviewed annually by Cabinet and adjusted based on enrollment management plans.
- Supplemental FTEF provided if "Growth" funding is available.

General Operating / Discretionary Funding

- $FTES \times \text{Campus Rate} = \text{Funds for General operating expenses.}$
- Includes Expenses for:
 - Hourly Staff
 - Hourly Non-classroom
 - All 4000-6000 object codes

Contract Staff

- Includes all Contract Staff:
 - Academic Faculty
 - Non-academic Staff
 - Administrators
- Full cost funded by position for all salaries and benefits.

Collective Bargaining and Other Contract Obligations

- All CBA and "meet and confer" (RAF) financial obligations are funded such as:
 - Department Chairs
 - Reassigned Time & ESU's
- Other Contractual commitments are funded such as:
 - Academy Service Agreements
 - Apprenticeship
 - Family Literacy

Campus Use of Staff Resources

- Campus retains 25% of ending of the year savings other than compensation related costs and can utilize savings as desired.
- Campus can reassign staff between programs and services based on campus priorities.

Campus Programs & Services

- As each campus adjusts programs, class schedules, etc., all CBA costs are fully funded.

Class Schedules

- Campus allocate FTEF based on Campus priorities.
- Additional class sections offered from Campus budget savings as determined by each campus.

Campus Allocations

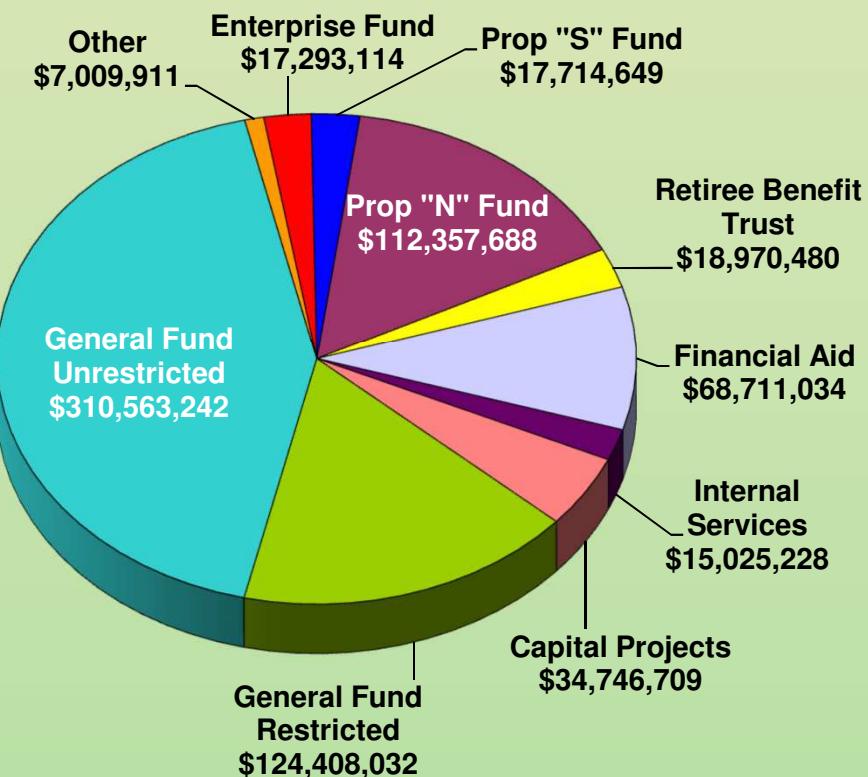
- Campus rate fluctuates based on Campus decisions.
- Campus has total discretion over use of funds.



2017-2018 Adopted Budget

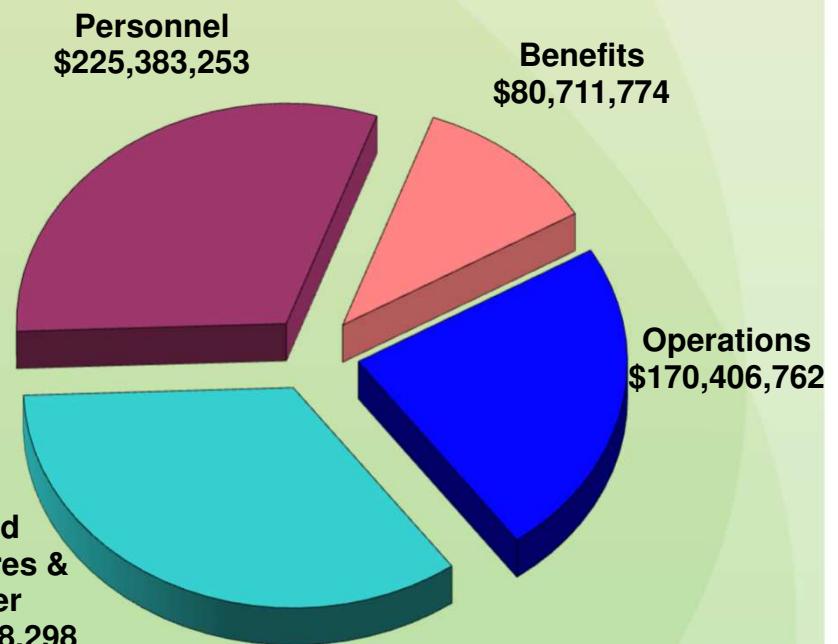
Approved by Board of Trustees on September 14, 2017

Summary of Fund Allocation



Total: \$726,800,087

Summary of Operational Allocation



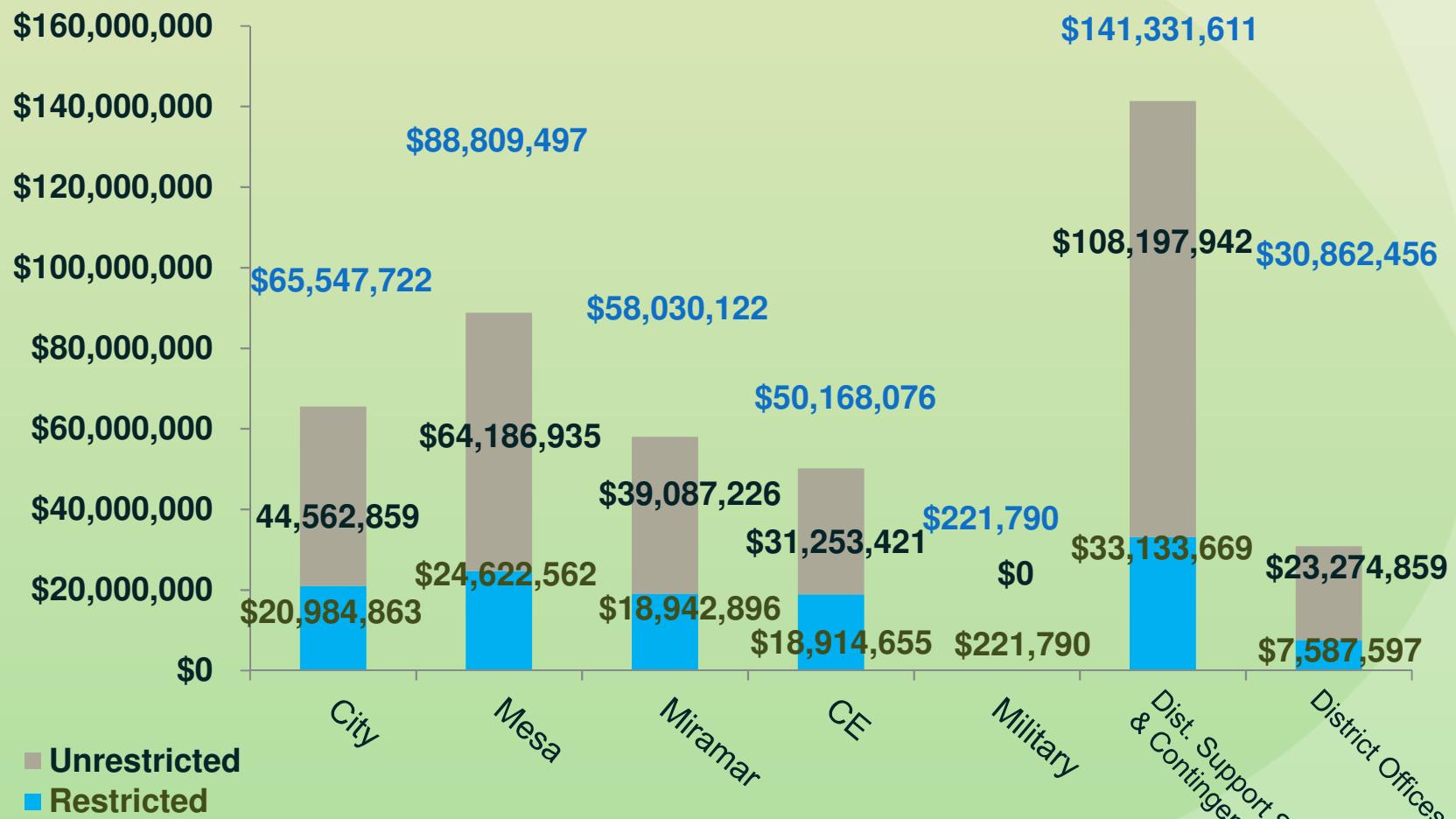
Total: \$726,800,087



2017-18 Adopted Budget

General Fund Unrestricted & Restricted Allocations

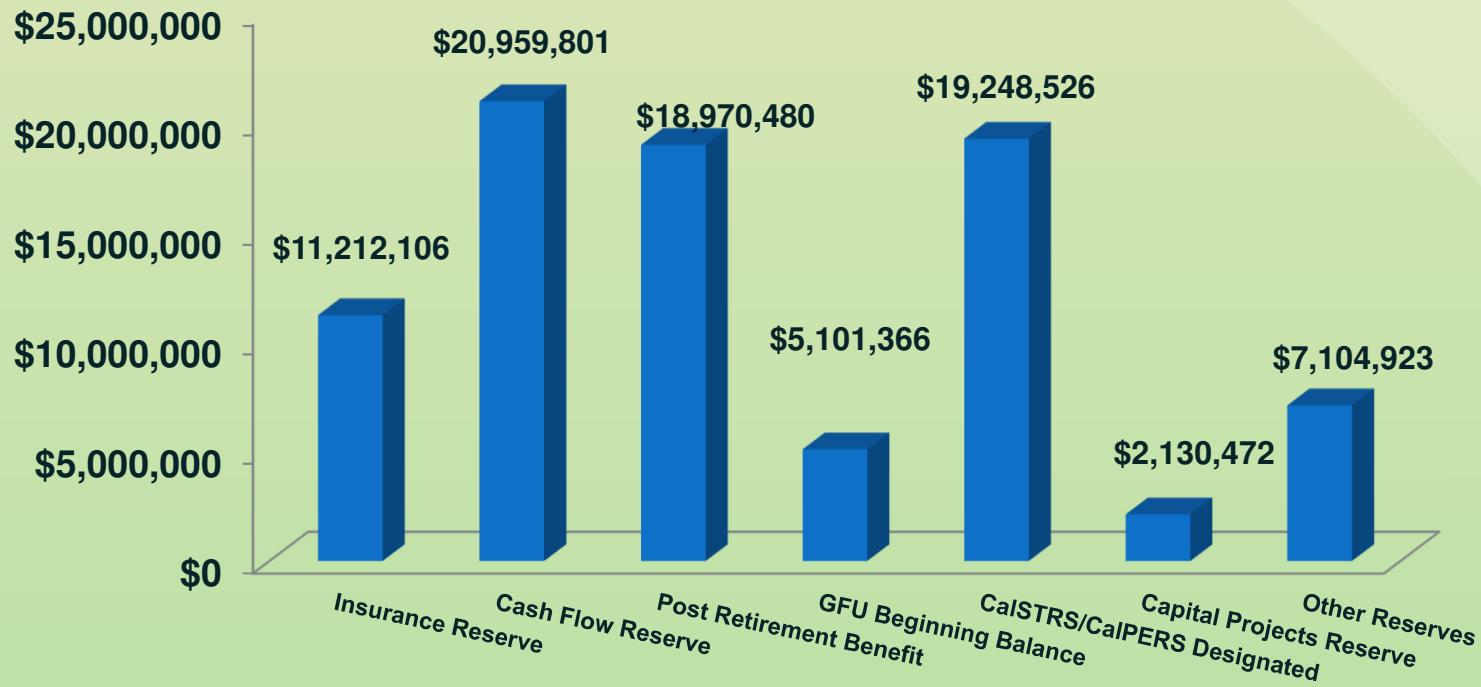
Approved by Board of Trustees on September 14, 2017



Note: General Fund Budget for 2017-18 is \$434,971,274.



Reserves & Beginning Balance (actuals) as of June 30, 2017



Insurance Reserves: District insurance liabilities.

Cash Flow Reserve: Per Board Policy minimum 5% of the General Fund budget required (currently at 5%).

Post Retirement Health Benefit Trust: Irrevocable trust for retiree health benefits.

Beginning Balance: General Fund Unrestricted excluding CalSTRS/PERS Designated account.

CalSTRS/CalPERS Board Designated account balance as of June 30, 2017.

Capital Projects Reserve: Projects other than Propositions S and N.

Other: Enterprise and Redevelopment reserves.

NOTE: GFU Beginning Balance (\$5,101,366) and CalSTRS/PERS Designated account balance (\$19,248,526) make up the \$24,349,892 which is the Total GFU Beginning Balance.



Commercial Lease Projects

- **SDCCD and I.D.E.A. Lease (District Innovation, Design, Education, and the Arts)**

Current appraised value = \$10,633,000

Total income over life of lease = \$ 67,151,700

Annual lease income = \$ 678,300

- **Skills Center (Downtown San Diego)**

Current appraised value = \$5,180,000

Total income over life of lease = \$21,978,000

Annual lease income = \$222,000

- **Family Health Center**

Total income over life of lease = \$1,181,640

Annual lease income = \$118,164

- **West City Campus**

Current appraised value = \$3,230,000

Total income over life of lease = \$22,090,860

Annual lease income = \$223,140

- **North City Campus**

Current appraised value = \$5,091,428

Total income over life of lease = \$35,640,000

Annual lease income = \$360,000

- **Centre City Campus**

Current appraised value = \$12,441,000

Total income over life of lease = \$86,216,130

Annual lease income = \$870,870





San Diego Promise Pilot Program

SAN DIEGO PROMISE PILOT

The San Diego Promise Pilot pays for enrollment fees and provides book grants for 201 incoming freshmen at City, Mesa, and Miramar Colleges during the 2016-17 academic year. The San Diego Promise is ultimately intended to ensure that no deserving local students are denied the opportunity to go to college due to lack of resources.

Students must:

- Apply for the FAFSA.
- Identify a course of study and complete a student education plan.
- Enroll at least full-time (12 units) for one year and maintain a minimum 2.0 GPA to remain eligible.
- Complete 8 hours of community service.

FUNDING:

- Funding for the two-year pilot is provided through the San Diego Community College District Auxiliary Organization.





San Diego Promise – Expansion



- The 2017-2018 cohort will expand to 561 participants:
 - 487 SDUSD
 - 68 Continuing Education High School Diploma Program Graduates
 - 6 Monarch School Students (homeless)
- Last-dollar program; all students must apply for, and accept all financial aid, except student loans.
- All participants will have their enrollment fees paid and will receive a book grant for the year.
- Funding – Community, Corporate, and Staff donors (payroll deduction).



Challenges

- AB1469, which passed in 2013, provided the CalSTRS Board with the authority to increase the employer contribution rate of 8.25% for employees covered under STRS to 19.10% over the next seven years through FY 2020-21. Any change to STRS rates must be done legislatively.
- Conversely, the CalPERS Board has the ability to adjust its rates annually, which it did in 2014 and again in 2017. CalPERS employer contribution rate in 2014 was 11.44% and is currently expected to increase to 20.40% by FY 2020-21.
- Employer contribution rates for CalSTRS/PERS projected to increase from FY2013-14 (benchmark year) until FY 2020-21 will result in a cumulative additional employer contribution expense increase of approximately \$15M, which will more than double the FY2013-14 employer contribution expense for both pension systems to approximately \$29 million by FY2020-21. Immediate impact to both employer pension costs for FY2017-18 budget are:
 - CalSTRS rate going from 8.25% in FY2013-14 to 14.43% in FY2017-18 resulting in \$5.5M cumulative additional CalSTRS employer contributions to date based upon FY2013-14 salaries (\$1.6M for FY2017-18 alone).
 - CalPERS rate going from 11.44% in FY2013-14 to 16.60% in FY2017-18 resulting in \$3.0M cumulative additional CalPERS employer contributions to date based upon FY2013-14 salaries (\$2.1M for FY2017-18 alone).



Calculations Based Upon FY 2013-14 Payroll (Baseline)

<u>Fiscal Year</u>	<u>PERS Rate</u>	<u>STRS Rate</u>	<u>Contribution</u>	<u>STRS</u>	<u>Additional PERS</u>	<u>Additional STRS</u>	<u>Cumulative Additional Contributions</u>
	<u>PERS</u>			<u>Contribution</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Contributions</u>
2013-14	11.44%	8.25%	\$6,733,368	\$7,294,830			
2014-15	11.77%	8.88%	\$6,927,600	\$7,851,890	\$194,232	\$557,060	\$751,292
2015-16	11.85%	10.73%	\$6,974,686	\$9,487,700	\$47,086	\$1,635,810	\$2,434,188
2016-17	13.05%	12.58%	\$7,680,984	\$11,123,510	\$706,297	\$1,635,810	\$4,776,296
2017-18	16.60%	14.43%	\$9,770,447	\$12,759,321	\$2,089,463	\$1,635,810	\$8,501,569
2018-19	18.20%	16.28%	\$10,712,176	\$14,395,131	\$941,730	\$1,635,810	\$11,079,110
2019-20	19.90%	18.13%	\$11,712,764	\$16,030,942	\$1,000,588	\$1,635,810	\$13,715,508
2020-21	20.40%	19.10%	\$12,007,055	\$16,888,637	\$294,291	\$857,695	\$14,867,494



Challenges (cont'd)

- Immigration decisions coming out of Washington, D.C. are impacting student enrollment at SDCCD and throughout the state.
- Future Prop S & N continuous operating costs must be identified for FY2017-18 and beyond. (Annual Lease revenues to be received by the District in FY2017-18 are projected at \$1M to assist with offsetting the increased costs.)
- PeopleSoft, ISIS, SAM and Colleague systems running concurrently until PeopleSoft fully implemented will result in duplicate costs for data base systems, which is currently projected at \$2.7 million for annual license and maintenance fees. (Note: These costs are on the wrong side of the 50% Law.)
- Staffing, training and recruitment of temporary and permanent staff to support the PeopleSoft integrated system.
- Ensuring a balance between the District's instructional and non-instructional expenses in order to remain in compliance with the 50% Law.
- State's long-term funding plans and revenue are always subject to change. The Governor continues to urge fiscal restraint and the need to prepare for potential future economic downturns because even a moderate recession could drop State revenue by \$55 billion.



San Diego City College Resource Allocation Process

**Dr. Seher Awan, E.D.
VP Administrative Services**



Resource Allocation Committee (RAC)



- Created & launched in 2015
- Participatory governance committee
- Completing year 3 of the cycle
- Process has evolved each year
- 3 assessments to complete CQI
- Tied to program review & integrated planning
- Serious training and outreach to the campus
- Open Labs for budget and finance help

P L A N

Four blue 3D-style cubes arranged horizontally, with the letters P, L, A, and N centered on them respectively, spelling out the word "PLAN".



Resource Allocation Committee (RAC)





RAC Membership & Charge

4 Administrators

4 Faculty

4 Classified

2 Students

Account. Sup.
&
CBO

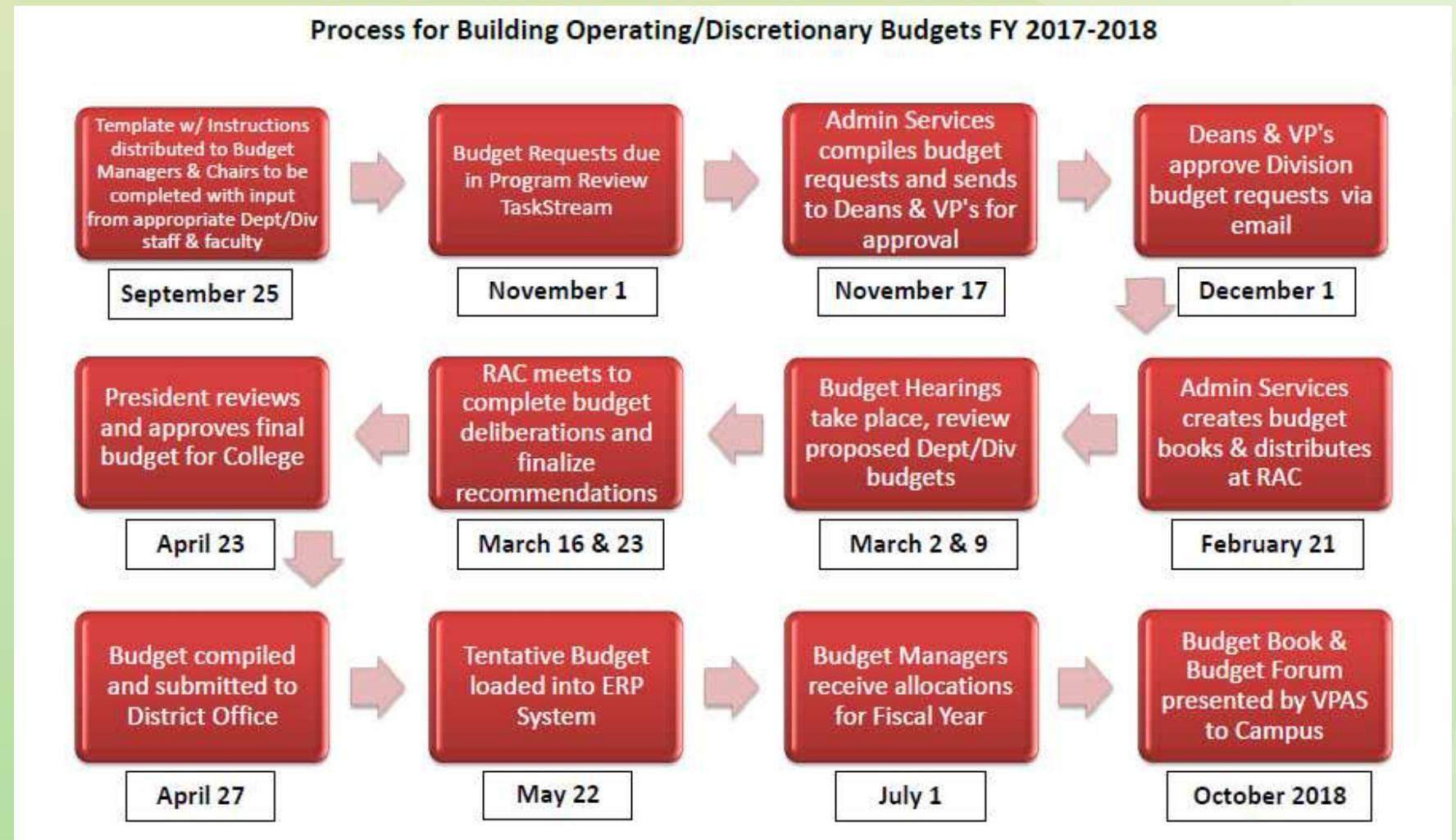
Authority

- *Recommend a process for the development of the college budget.*
- *Review requests & prioritize budget recommendations*

Resource Allocation



Budget Development Timeline





Success of RAC

Campus Community is:

- *More informed*
- *More engaged*
- *More thoughtful*



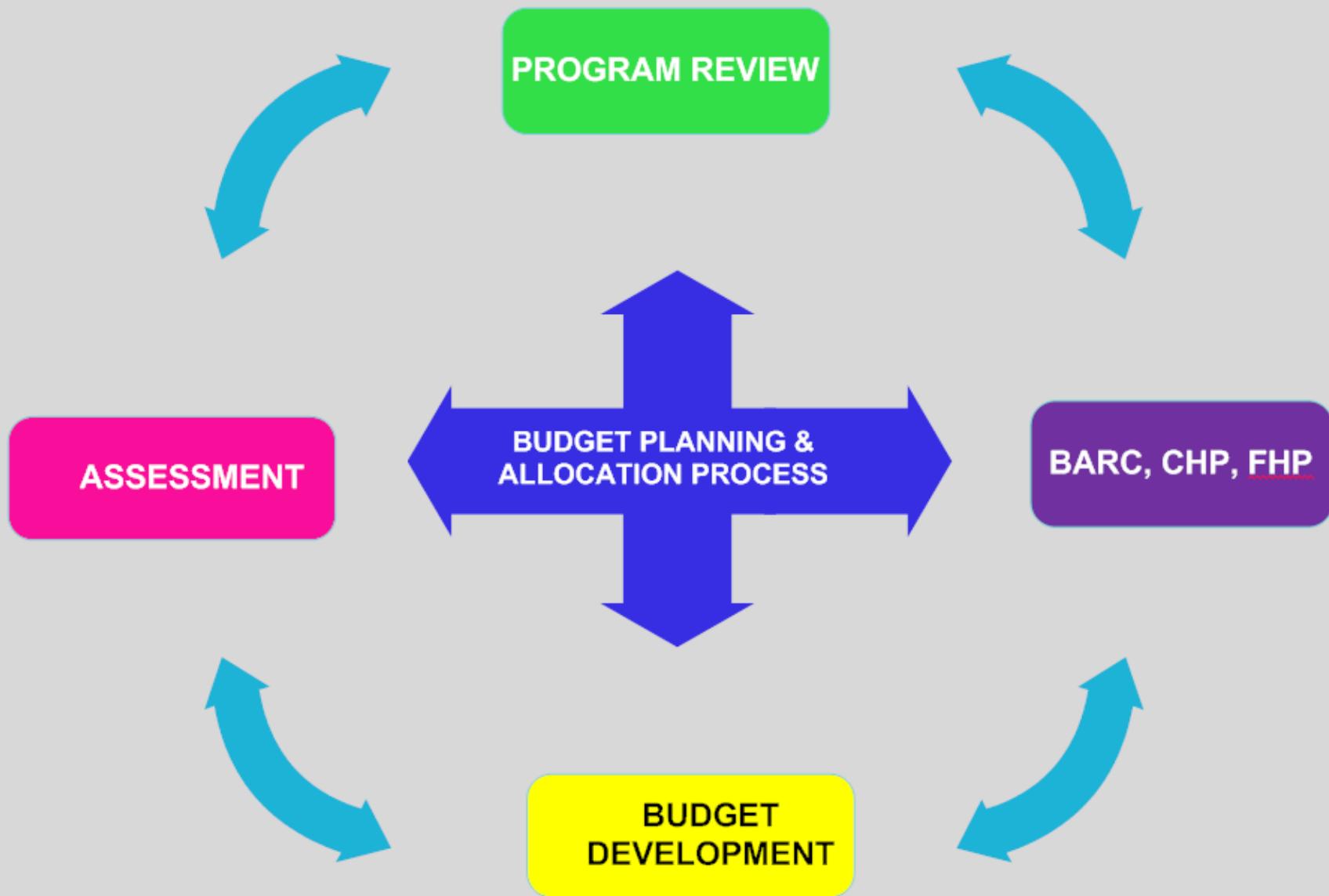
Future Goals for RAC:

- *Continued integration into program review*
- *Improved institutional effectiveness*
- *Continuous Quality Improvement*



San Diego Mesa College Resource Allocation Process

Dr. Rachelle Agatha, CPA
VP Administrative Services





- Three year cycle
- Resource need requests
- Entered into Task Stream
- Committee's manage processes
- Governed by PIEC
- Strategic plan driven
 - Ed Master Plan
 - Technology
 - Facilities

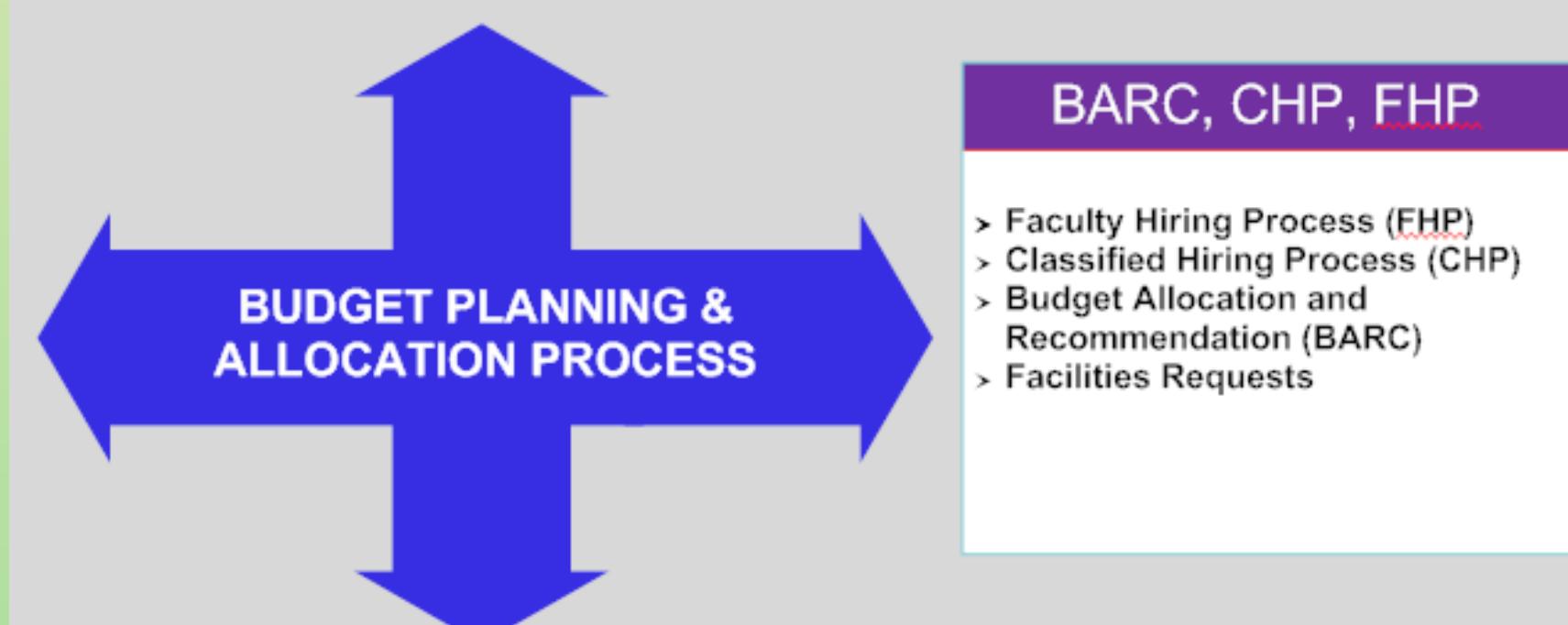
PROGRAM REVIEW

- Needs assessed during Program Review
- PIEC
- Governance Committees
- One time, augmentation, facilities, technology
- Rubrics, committees, ratings
- Training

BUDGET PLANNING & ALLOCATION PROCESS

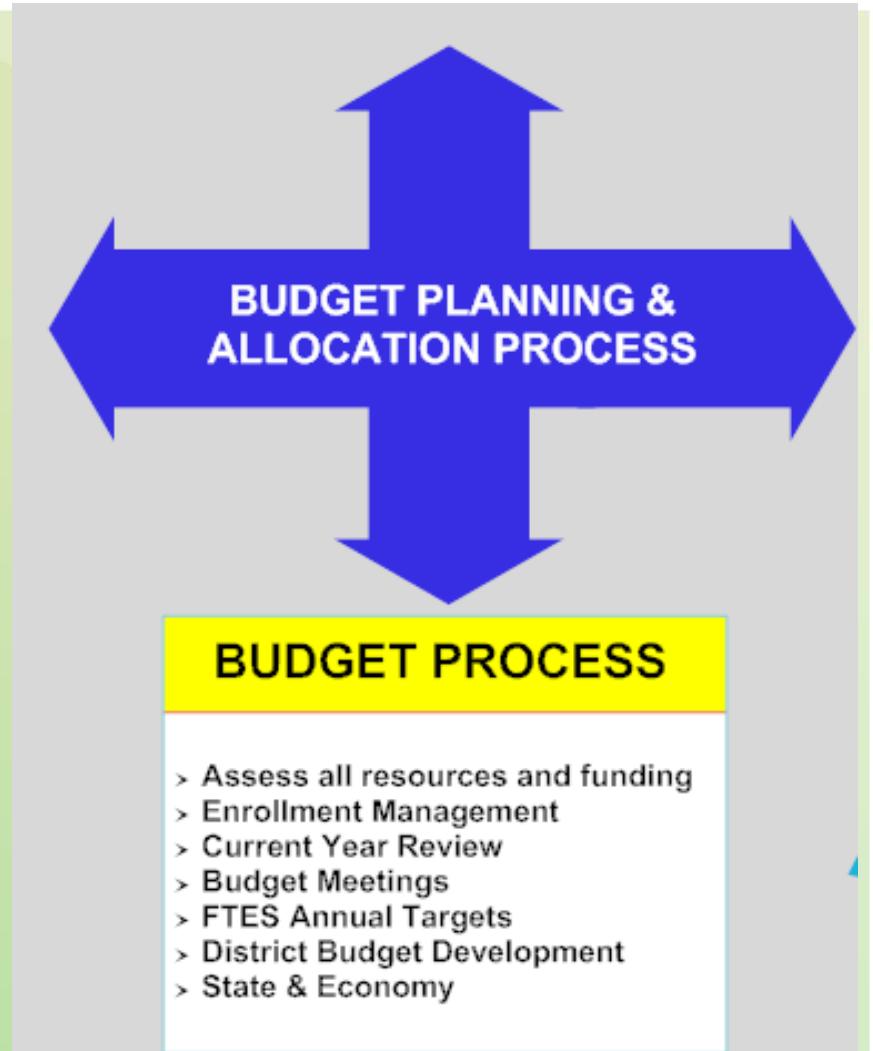


- Budget Allocation & Recommendation Processes
- Training, data driven, rubrics
- Participatory structure with goals and outcomes
- Committees recommend to President's Cabinet





- Ongoing Process
- Reporting and Review
- Communication and Transparency





- Ongoing assessment
- Annual review of process
- Current year assessment and flexibility

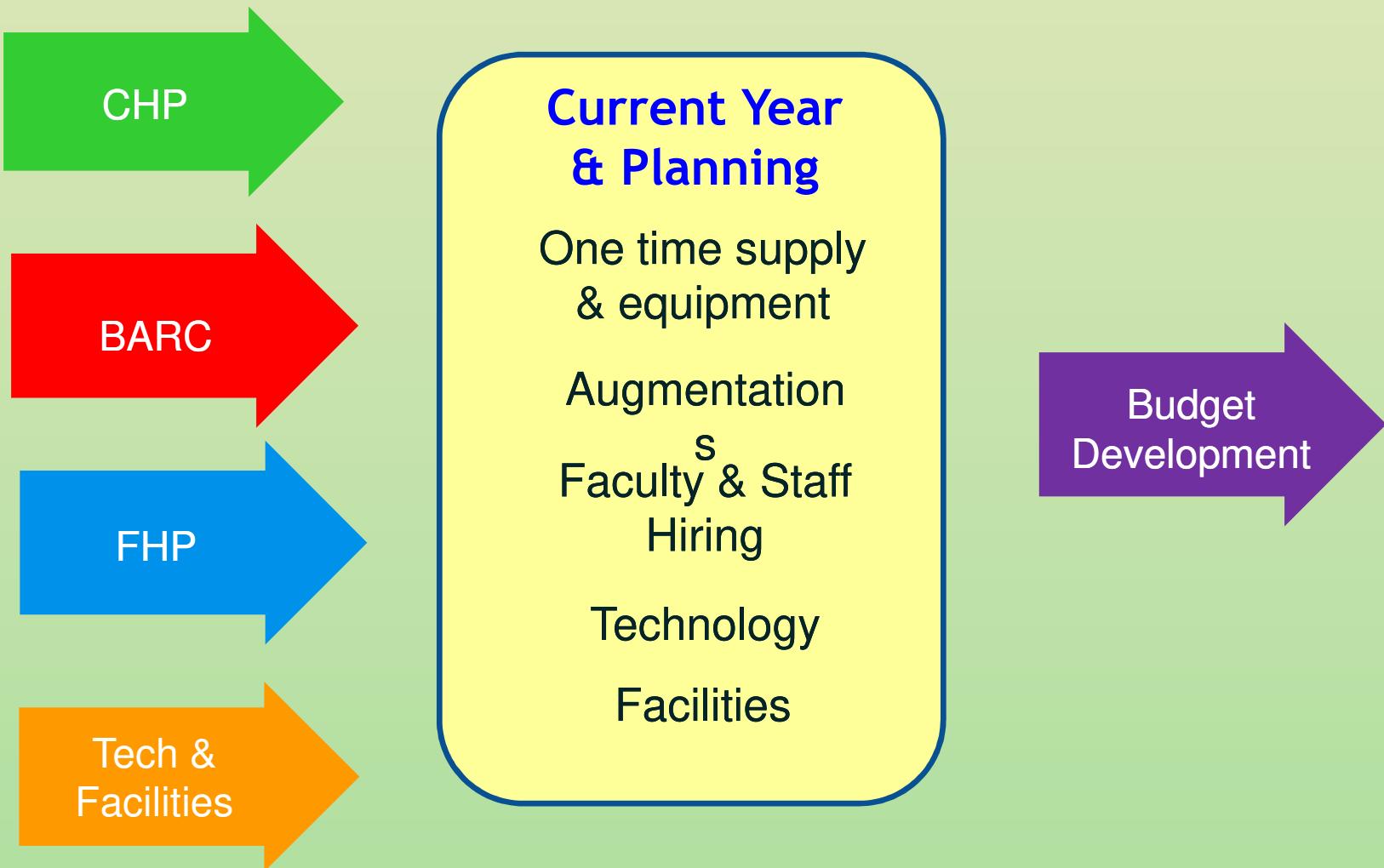
ASSESSMENT

- Review the Process
- Recommendations for Improvement
- Current year flexibility & needs
- Forecast, actual vs budget
- Staffing changes / re-orgs
- Emergencies, facilities, technology, safety
- Long term planning

BUDGET PLANNING & ALLOCATION PROCESS



Integrated Budget Process





Mesa Success

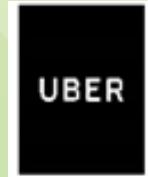
- Process in place six years
- Fluid and integrated with Program Review
- Opportunity to tell the story
- Process assessed and improved each year
- Driven by strategic planning and data
- Allows for economic and college changes



Sustainable and Safe Transportation

- ❖ Valet Parking – first 3 weeks of each term
- ❖ Kearny High parking – first 2 weeks
- ❖ Designated Uber locations / Waze Carpool
- ❖ Bike and Skateboard Taskforce
- ❖ Bike to Work Day / National Rideshare Week
- ❖ Partnership - iCommute
- ❖ Visit the **42** website for info

<http://www.sdmesa.edu/mesamoves/>



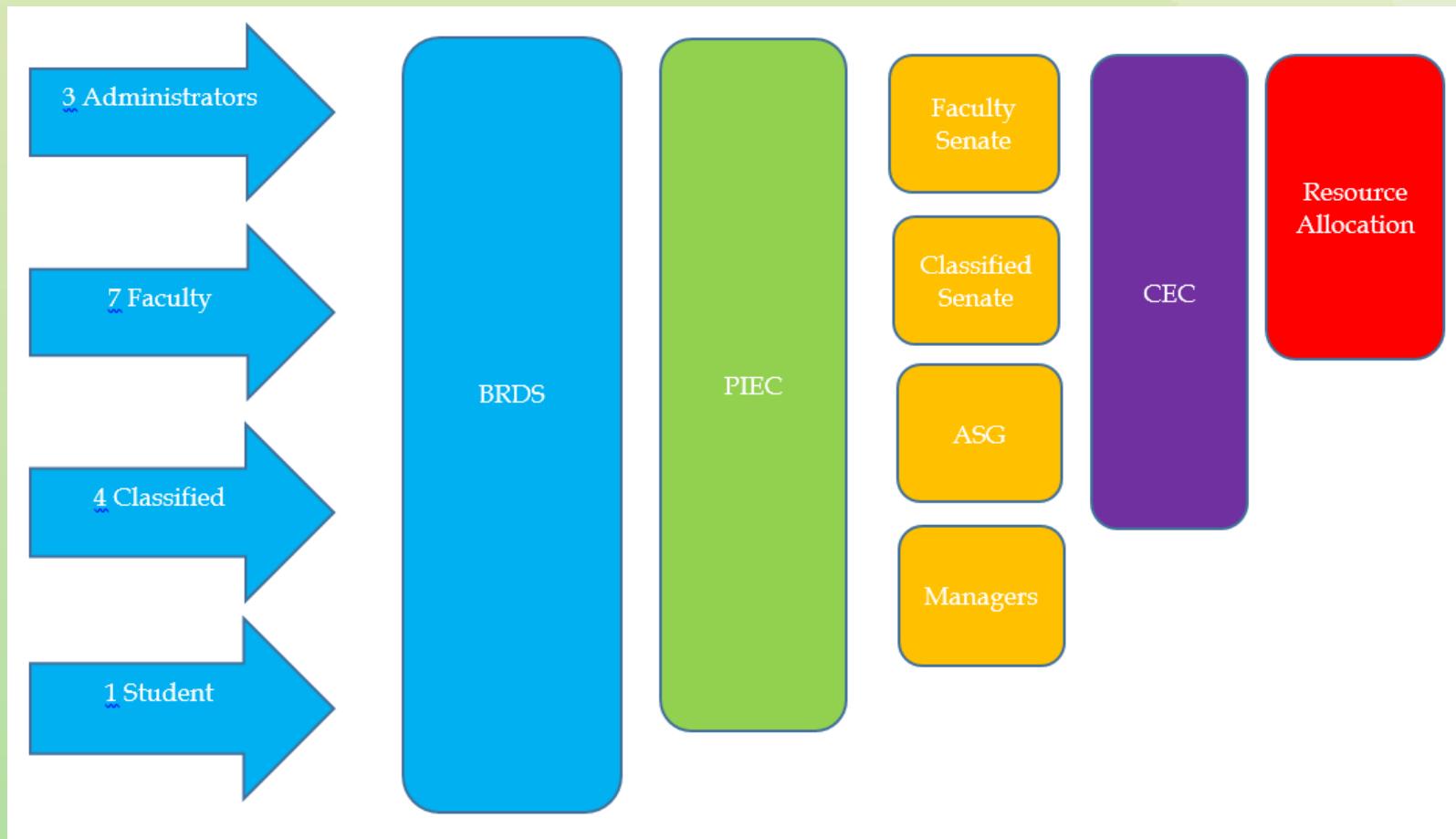


San Diego Miramar College Resource Allocation Process

Brett Bell, CPA
VP Administrative Services



Participatory Governance





Integrated inputs to Resource allocation

- Campus Allocation Model
 - Strategic Enrollment Management
 - FTES and FTEF
- College Program Review
 - Classified Hiring Prioritization
 - Certificated Hiring Prioritization
 - Facilities Needs Prioritization
 - New Discretionary Resources Prioritization
 - Discretionary Re-allocation Prioritization
 - One-time Resource Prioritization (Innovation)



College Allocation Cycle





College Innovation Civic Center

- Economic Downturn
- Need to find ongoing resources not linked to apportionment or categorical
- Robust Civic Center Program
 - Encourage College to support community use of campus
 - BRDS identified profit sharing from Civic Center
 - One-time allocation for equipment and supplies



College Innovation PPIS

- Economic Downturn
- Need to stabilize technology replacement
- Inconsistent allocations of PPIS
 - BRDS implemented 5-year tech replacement plan
 - Allocation to for technology replacement
 - Allocation to classroom AV replacement
 - Allocation to library resource replacement



Thank you!!!