

Riverside Community College District  
Budget Allocation Model  
Final Budget - FY 2008-2009

**Revenue**

Contingency from 2007-2008	9,423,484
Additional Revenue from 2007-2008	2,396,043
Unspent DO/DSS 2007-2008 Budget	1,715,632
Unspent Riverside Campus 2007-2008 Budget	2,785,724
Unspent Norco Campus 2007-2008 Budget	1,372,571
Unspent Moreno Valley Campus 07-08 Budget	<u>1,565,622</u>

Estimated Beginning Balance 7/1/08 \$ 19,259,076

Projected Revenue FY 2008-2009 144,293,942

**Notes** Total Available Funds (TAF) 163,553,018

1. Less, 5% Contingency Reserve (Board Policy)	(8,922,869)
2. Less, 1.0% Reserve for Economic Uncertainty	
3. Less, District Interfund/Intrafund Transfers	(1,542,363)
4. Less, New District/College Program/Initiatives	(1,259,090)
5. Less, Operating Costs for New Facilities	-
6. Set-Aside for New Positions/PT Faculty Growth	<u>(1,860,446)</u>

(13,584,768)

Total Available Funds for Allocation (TAFA) \$ 149,968,250

**Allocation Increment**

PY Base Expenditure Budget (2007-2008) \$ 142,436,406

CY TAFA (2008-2009) 149,968,250

Allocation Increment (A.I.) 7,531,844

7. Less, Base Budget Adjustments	(3,887,912)
8. Less, Small College Factor	-
9. Less, Enrollment Efficiency Incentive	-
10. Less, District Office/District Support Services	<u>-</u>

11. Remaining Allocation Increment \$ 3,643,932

**Expenditures**

	Moreno Valley	Norco	Riverside	DSS	D.O.	Total
FY 2007/2008 Base Expenditure Budget as of 4/30/08	\$ 26,852,718	\$ 21,233,736	\$ 65,948,338	\$ 23,324,271	\$ 5,077,343	\$ 142,436,406
Base Budget Adjustments - Final Budget	688,192	103,854	3,229,592	(63,016)	(70,710)	3,887,912
New District/College Program/Initiatives	364,305	-	415,279	100,000	379,506	1,259,090
New Positions/PT Faculty Growth	614,337	185,725	829,733	154,065	76,586	1,860,446
subtotal	28,519,552	21,523,315	70,422,942	23,515,320	5,462,725	149,443,854
District Office/District Support Services						
subtotal	28,519,552	21,523,315	70,422,942	23,515,320	5,462,725	149,443,854
Small College Factor						
Enrollment Efficiency Incentive	-	-	-	-	-	-
Remaining Allocation Increment	-	-	-	-	-	-
Base Expenditure Budget for FY 2008-2009	<u>\$ 28,519,552</u>	<u>\$ 21,523,315</u>	<u>\$ 70,422,942</u>	<u>\$ 23,515,320</u>	<u>\$ 5,462,725</u>	<u>\$ 149,443,854</u>

% Increase to PY Base Budget 6.21% 1.36% 6.79% 0.82% 7.59% 4.92%

\$ Increase to PY Base Budget \$ 1,666,834 \$ 289,579 \$ 4,474,604 \$ 191,049 \$ 385,382 \$ 7,007,448

% of Base Budget Increase 23.79% 4.13% 63.85% 2.73% 5.50% 100.00%

EXHIBIT G

## EXHIBIT G

The proposed Resource 1000 budget was prepared using the principles of the Budget Allocations Model developed by the Budget Allocation Model Task Force, whose membership consisted of the following at the time of development:

Aaron S. Brown	—	Interim Vice Chancellor, Administration and Finance
Patricia A. Braymer	—	Interim Associate Vice Chancellor, Finance
Becky Elam	—	Vice President, Business Services, Riverside
Norm Godin	—	Vice President, Business Services, Norco
Michael McQuead	—	Associate Professor, CIS, Moreno Valley
Bill Orr	—	Vice President, Business Services, Moreno Valley
Cindy Taylor	—	Outreach/Passport to College Coordinator, Riverside
Tom Wagner	—	Associate Professor, Business Administration, Norco
Ajené Wilcoxson	—	Associate Professor, Business Administration, Riverside

The 2008-2009 Resource 1000 budget reflects the following Budget Allocation Model components:

### ***TOTAL AVAILABLE FUNDS (TAF)***

Total Available Funds of \$163.55 million, consisting of a projected unaudited beginning balance of \$19.26 million and current year revenues of \$144.29 million. Estimated general apportionment revenues were calculated assuming base, credit full-time equivalent students (FTES) of 26,779.82 funded at \$4,564.83/FTES and growth, credit FTES of 404.38 using the District's constrained growth rate of 1.51% funded at \$4,595.87/FTES.

### ***5% CONTINGENCY RESERVE***

In accordance with the Board's policy objective of a budgeted ending balance equal to at least 5% of TAF, \$12.57 million has been provided.

### ***1% RESERVE FOR ECONOMIC UNCERTAINTY***

The 1% Reserve for Economic Uncertainty component of the BAM has not been funded due to the District's substantial beginning fund balance; significant anticipated budget savings that historically have accrued to the District; and budgetary needs required of the Norco and Moreno Valley campuses as they continue to transition to college status.

## EXHIBIT G

### ***DISTRICT INTERFUND TRANSFERS***

Historically, the District's General Operating Resource has supported various programs accounted for in other Funds and Resources. The following District interfund and intrafund transfers have been provided in accordance with BAM principles:

Fund 33, Resource 3300 – Child Care		\$ 365,000
Fund 61, Resource 6100 – Health and Liability		250,000
Fund 11, Resource 1190 – Grants and Categorical Programs		
DSP&S	\$665,157	
Instructional Equipment Match	96,230	
Federal Work Study	<u>189,249</u>	950,636
Fund 11, Resource 1090 – Performance Riverside		193,257
Fund 11, Resource 1170 – Customized Solutions		173,470
Fund 11, Resource 1110 – Bookstore (Contractor Operated)		<u>(390,000)</u>
	Total	<u>\$1,542,363</u>

### ***NEW DISTRICT AND COLLEGE PROGRAMS AND INITIATIVES***

The following new programs and/or initiatives have been provided for:

<u>Riverside</u>		
Stokoe Innovative Learning Center		\$ 415,279
<u>Moreno Valley</u>		
Additional Academies at the Ben Clark Training Center		364,305
<u>District Support Services</u>		
Open Campus Move from the Riverside Campus		100,000
<u>District Offices</u>		
Additional set-aside for classified and management classification study implementation (Total set-aside is \$534,096)		<u>379,506</u>
	Total	<u>\$ 1,259,090</u>

**EXHIBIT G**

***SET ASIDE FOR NEW POSITIONS, PART-TIME FACULTY GROWTH AND OVERLOAD***

The following new positions and growth have been provided for:

**Riverside**

Laboratory Technician (.50 FTE) \$ 27,607  
Part-Time Faculty and Overload Growth 802,126

Total Riverside \$ 829,733

**Norco**

Faculty Positions:

English 93,777  
Math 108,227  
Anatomy and Physiology 88,811  
Associate Dean, Student Services 147,787  
Part-Time Faculty and Overload Growth (252,877)

Total Norco 185,725

**Moreno Valley**

Faculty Positions

Health Sciences 111,852  
Counseling 105,616  
Speech Language 111,852  
Part-Time Faculty and Overload Growth 285,017

Total Moreno Valley 614,337

**District Support Services (DSS)**

Dispatch Clerks (3 Positions) 76,067  
Human Resource Analyst (Converted Clerk Typist) 25,977  
Emergency Planning & Preparedness Manager  
(.50 FTE) 52,021

Total DSS 154,065

**District Office (DO)**

Administrative Assistant (Chancellor's Office) 76,586

Total New Positions, Part-Time Faculty and Overload Growth \$1,860,446

***SMALL COLLEGE FACTOR, ENROLLMENT EFFICIENCY AND REMAINING ALLOCATION INCREMENT***

Total Available Funds for Allocation was exhausted meeting the funding areas described previously and to increase the contingency reserve beyond the 5% level. Therefore, no funding allocations have been provided for the Small College Factor, Enrollment Efficiency Incentives or Remaining Allocation BAM components.

**BASE EXPENDITURE BUDGET ADJUSTMENTS**

The following adjustments have been made to the campuses, District Support Services (DSS), and District Office (DO) base expenditure budgets:

<b>Description</b>	<b>Moreno Valley</b>	<b>Norco</b>	<b>Riverside</b>	<b>DSS</b>	<b>DO</b>	<b>TOTAL</b>
Funded COLA at .68% + 1% passed through as salaries	\$ 193,446	\$ 182,788	\$ 672,299	\$ 253,517	\$ 29,846	\$ 1,331,896
Position reclassifications and professional growth steps	68,445	43,858	129,305	18,708	-	260,316
Position step and column adjustments	139,715	128,344	340,165	99,561	4,990	712,775
Employee benefit increases and adjustments	115,600	58,575	95,023	471,103	(63,145)	677,156
Board of Trustees Election Cost	-	-	-	-	707,000	707,000
Chancellor/President Recruitments	-	-	-	(104,050)	-	(104,050)
Prior year one-time budget augmentation and non-discretionary budget adjustments	(164,595)	(127,637)	194,769	(369,573)	(188,595)	(655,631)
Personnel reassigned to or from grant programs	(38,368)	(20,972)	114,987	38,163	368	94,178
Departmental costs reallocated due to organizational restructuring and locus of responsibility	141,067	(103,730)	1,229,115	(740,705)	(431,286)	94,461
Personnel budget adjustments arising due to differences in estimated budget amounts versus actual placement costs associated with vacant positions	(40,600)	(35,130)	205,536	181,470	(97,090)	214,186
Net estimated cost to refill prior year early retirement ("Golden Handshake") positions	(10,207)	(29,035)	184,565	-	-	145,323
Adjustments for new and existing contracts	<u>283,689</u>	<u>6,793</u>	<u>63,828</u>	<u>88,790</u>	<u>(32,798)</u>	<u>410,302</u>
<b>TOTALS</b>	<u>\$ 688,192</u>	<u>\$ 103,854</u>	<u>\$ 3,229,592</u>	<u>\$ (63,016)</u>	<u>\$ (70,710)</u>	<u>\$ 3,887,912</u>

EXHIBIT G

## ***OTHER RESOURCES***

Other District “Resources” reflected in the budget are:

- 1050 Parking – Restricted
- 1070 Student Health – Restricted
- 1080 Community Education
- 1090 Performance Riverside
- 1110 Bookstore (Contractor operated)
- 1170 Customized Solutions
- 1180 Redevelopment Pass-Thru – Restricted
- 1190 Grants and Categorical Programs – Restricted
- 3200 Food Services
- 3300 Child Care
- 4100 State Construction and Scheduled Maintenance
- 4110 Capital Projects – Child Development Center
- 4120 Non-State Funded Capital Outlay Projects
- 4130 La Sierra Capital
- 4160 General Obligation Bond Funded Capital Outlay
- 6100 Health and Liability Self-Insurance
- 6110 Workers’ Compensation Self-Insured
- Student Federal Grants
- State of California Student Grants
- ASRCC

Additionally, the following should be observed:

1. Resource 1050, Parking – The Parking Resource receives revenues from the sale of parking permits and parking citation fines. These revenues are used to partially support the College Safety and Police department, which receives funding from both this Resource as well as Resource 1000. The budget proposal provides for \$2.2 million (total available funds) and an ending balance above the 5.0% target. Staff will monitor this Resource closely throughout fiscal '08 as sluggish revenue results, significant salary and benefit increases, and reclassifications over the past several years have resulted in a substantial fund balance erosion.
2. Resource 1070, Student Health – The Student Health Resource continues to maintain a healthy contingency reserve, reflecting total available funds of \$2.5 million and a projected ending balance of \$1.1 million, while significantly increasing service to students.
3. Resource 1080, Community Education – The Community Education Resource is self-supporting. It provides not-for-credit courses on a fee basis. Total available funds equal \$.84 million, with the ending balance projection above the 5.0% target. Staff will monitor this Resource closely throughout fiscal '09 as revenue declines and cost increases have significantly eroded fund balance.

***OTHER RESOURCES (continued)***

4. Resource 1090, Performance Riverside – The Performance Riverside budget is anticipated to have a cumulative 2008-2009 deficit ending balance of \$.73 million. This balance is an accumulation of deficits in prior years. The 2008-2009 budget includes an operating subsidy in the amount of a \$193,257 intrafund transfer from Resource 1000, the same amount as the five prior fiscal years. Riverside City College and District staff will continue to monitor this fund closely throughout fiscal '09, as it remains under an express order that operational expenditures, exclusive of core administrative costs, must remain within the resources generated.
5. Resource 1110, Bookstore Contractor Operated – Resource 1110 was established to account for the bookstore operations at all three campuses. These bookstores are operated through a contract with Barnes & Noble Co. An interfund transfer of \$.68 million will be made to Food Services (Resource 3200), and an intrafund transfer of \$.39 million will be made to Resource 1000.
6. Resource 1170, Customized Solutions – This Resource was established to isolate the financial activities of the District's Customized Solutions program. This program provides customized training for local businesses, government agencies, and non-profit organizations. An intrafund transfer from Resource 1000 has been provided at the same level as the five prior years, \$173,470. As in the most recent prior years, the actual transfer will only be made if expected economic results are not achieved. This fund is also under an express order that its operational expenditures, exclusive of core administrative costs, must remain within the resources it generates.
7. Resource 1180, Redevelopment – The Resource 1180 expenditure budget provides for consulting services relative to existing redevelopment agreements and support for Casa Blanca outreach.
8. Fund 1190, Grants and Categorical Programs – Resource 1190 is used to record the financial activity of restricted categorical and grant funds received by the District. These funds are being used to assist the District in pursuing objectives established in our strategic planning process.
9. Resource 3200, Food Services – The Food Services Resource provides for Food Services and Catering for all three campuses. As mentioned above, an interfund transfer in the amount of \$.68 million from the Bookstore (Resource 1110) is provided. Staff will continue to direct attention in fiscal '09 towards improving food service operations, including remodeling facilities at Riverside and Moreno Valley. New food service facilities at Norco have been incorporated into the design of the new Norco Student Success building.

***OTHER RESOURCES (continued)***

10. Resource 3300, Childcare – The District operates childcare programs at all campuses, with a fourth planned to begin operations at the Alvord Innovative Learning Center in Fall '09. The budget proposal provides for a District interfund subsidy in the amount of \$.37 million, an increase of \$.125 million over the prior fiscal year, in order to support operations at the childcare centers. This fund will be monitored closely through the year.
11. Resource 4100, State Construction/Scheduled Maintenance – Resource 4100 includes the State Construction, Scheduled Maintenance and Hazardous Substances budgets. The District's Scheduled Maintenance match requirements are funded from Measure C funds in Resource 4160.
12. Resource 4110, Child Development Center – This Resource was established for the benefit of the District's child development centers and will be used to augment facilities and equipment at the Riverside Child Development Center.
13. Resource 4120, Non-State Funded Capital Outlay Projects – This Resource is used to record revenue and expenditures associated with capital outlay projects funded from non-State sources. The budget provides \$1.1 million for the Phase II Moreno Valley College Park project, including light standards for the sports fields, pursuant to a Joint Development and Use Agreement between the District and Moreno Valley Community Services District.
14. Resource 4130, La Sierra Capital – The expenditure budget here is being used for development of the Riverside School of the Arts (RSA). In this regard, \$2.3 million was allocated for RSA planning and working drawings, \$1.6 million of which is budgeted for fiscal '09.
15. Resource 4160, General Obligation Bond Funded Projects – This fund was established to account for funds derived from the issuance of Measure C general obligation bonds and the expenditure of funds related to Board approved Measure C capital outlay projects (see EXHIBIT G).
16. Resource 6100, Health and Liability Self-Insurance – The Self-Insurance fund covers the District's indemnity health and liability self-insurance programs. The indemnity program has experienced a significant increase in claims during the past two years, however financial reserves have been maintained to meet projected future self-insured health and liability claims.

***OTHER RESOURCES (continued)***

17. Resource 6110, Workers' Compensation Self Insurance – Workers' compensation income is derived from the .0131 funding rate charged to all budgets with salary accounts. Sufficient financial resources have been maintained to meet projected future worker's compensation claims.
18. Student Federal Grants and State of California Student Grants are used to report the receipt and distribution of various student grant programs.