

RIVERSIDE COMMUNITY COLLEGE DISTRICT

Budget Allocation Model Development Task Force

Friday – February 29, 2008

9:00-11:00 a.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of the Minutes
 - February 8, 2008
- III. BAM Development Input from Strategic Planning Committees
- IV. Budget Allocation Model Design
 - BAM Sketch Review (continued)
 - Sub-Committee Report
- V. Other
 - Timelines and Open Issues
 - Assignments
- VI. Next Meeting
 - March 7, 2008
- VII. Adjournment

RIVERSIDE COMMUNITY COLLEGE DISTRICT

*Budget Allocation Model Development Task Force
Meeting of February 29, 2008*

MINUTES

Task Force Members

Aaron Brown, Interim Vice Chancellor, Administration & Finance - Present
Patti Braymer, Interim Associate Vice Chancellor, Finance - Present
Becky Elam, Vice President, Business Services (Riverside) - Present
Norm Godin, Vice President, Business Services (Norco) - Present
Michael McQuead, Associate Professor, CIS (Moreno Valley) - Present
Bill Orr, Vice President, Business Services (Moreno Valley) - Present
Cindy Taylor, Outreach/Passport to College Coordinator (Riverside) - Present
Tom Wagner, Associate Professor, Business Administration (Norco) - Present
Ajene Wilcoxson, Associate Professor, Business Administration (Riverside) – Present
Vickie Vega – (Recorder)

I. Meeting was called to order.

II. Minutes of February 8, 2008

The minutes of the February 8, 2008, were approved without change.

III. Input from Strategic Planning Committees (SPC)

There was a general discussion by the Task Force on the best way to inform the college community.

Becky & Ajene - Gave Riverside a PowerPoint on the BAM goals and principles. They had good feedback from the SPC. Becky assured them that the BAM is intended to be a living document and that a goal of the Task Force is put together a model that can be changed if necessary.

Norm – The BAM is not intended to circumvent the program review process.

IV. Budget Allocation Model Design

Sub-Committee Report/BAM Sketch (see attached)

Revised BAM Sketch (Option C) was distributed to the group (attached). The suggested revisions from the last Task Force meeting and the meeting of the Sub-Committee were incorporated into BAM Sketch (Option C).

Dr. Orr Present a Consolidated BAM Sketch (see attached)

It begins with a calculation to derive Total Available Funds (TAF) for allocation including, computational revenue, the beginning balance, and other revenue, less the 5% minimum reserve. Funds would be distributed using standards for specific expenditure areas (see attached).

Discussion ensued regarding the methodology.

Aaron – It has some similarity to the San Mateo Model. It hits on items that the Task Force has determined are important for consideration. From an implementation standpoint, it's unclear how it would work.

Norm – Appreciates that the model is based on standards for allocation. Would like to eventually see a full-time faculty standard.

Becky – We should be norming to the same number with standards throughout the District.

Bill – If we set standards and we don't have the means to meet the standards there will be problems.

Aaron – We still need to obtain information regarding high cost programs.

Norm – High cost and specialty programs may need to be defined more fully as we proceed through the model or even after the model has been developed.

Aaron – Campuses should strive to have a combination of low and high cost programs. If there is a diversity of offerings a campus would have a better ability to offer high cost and specialty programs

Mike – Growth generated from online courses needs to be revisited.

Aaron – On-line FTES is attributable to the campus where the online course is generated.

Norm – An even distribution of online FTES should be considered. Online courses are a different animal. Consider as a District operation.

Ajene – Monitoring should be an administrative responsibility.

Aaron – Policies need to be made at the District level concerning FTES growth.

Aaron – Is this model practical from an operational and administrative standpoint?

Patti – Bill's model would be very difficult to administer. What we need to do is start with the existing base budgets and deal with the differentials determined by funding allocation calculations.

Norm – We have three different models and none are fully vetted. We need to articulate and compare side-by-side.

V. Other

- Time is running short for getting a new BAM in place for the 08-09 budget year given the timeline for the 08-09 Tentative Budget, rolling-out a model for our constituents to review and comment and, to present to the Board of Trustees. The BAM will need to be implemented in multiple phases.
- We will need to decide on what we want to include in the first phase of the BAM.

VI. Next Meeting

- Give some thought about what we want included in the BAM for this next fiscal budget cycle and what we will need to keep discussing for inclusion in the next BAM phase.

Next BAM Meeting – March 6th

**RIVERSIDE COMMUNITY COLLEGE DISTRICT
 BUDGET ALLOCATION MODEL - GENERAL FUND UNRESTRICTED (RESOURCE 1000)
 DRAFT - 2/1/2008**

2-29-08 - Consolidated BAM Sketch 2-28-2008.xls

PROJECTED REVENUE (ON-GOING):

		EXAMPLE
Beginning Fund Balance	XXXX	1,100,000
Apportionment Allocation	XXXX	
Other State Funds	XXXX	
Local Funds	XXXX	153,900,000
Federal Funds	XXXX	
Incoming Transfers	XXXX	
TOTAL PROJECTED REVENUE (ON-GOING)	XXXX = TOTAL AVAILABLE FUNDS (TAF)	155,000,000

TIER I: MANDATORY RESERVE:

Reserve/Contingency (5% Minimum)	XXXX	7,750,000
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TIER II: OPERATING RESERVES:(1)

Reserve - Wage & Benefits Increases (2)	XXXX	500,000
Reserve - Technology Acquisition & Replacement (3)	XXXX	1,000,000
Reserve - Facility Expansion Operational Cost (4)	XXXX	1,100,000
Reserve - Equipment Replacement (5)	XXXX	1,000,000

TOTAL TIER I: RESERVES/SET ASIDES	XXXX	11,350,000
BALANCE AFTER TIER I: TOTAL AVAILABLE FUNDS(TAF) - TOTAL RESERVES/SET ASIDES (TRS)		143,650,000

	Moreno Valley	Norco	Riverside	District Office (h)	Reserve Accounts	
TIER III: Budget Adjustments						
Beginning Balance (Carry-Over)	150,000	150,000	300,000	500,000	-	1,100,000
Base Allocation (a)	25,530,000	24,420,000	61,716,000	21,984,000	-	133,650,000
Central Services Cost Distribution (d) (e)	(3,750,000)	(3,750,000)	(7,500,000)	15,000,000	-	-
Growth / Decline (b)	550,000	550,000	1,000,000	-	-	2,100,000
COLA (c)	1,125,000	1,125,000	2,250,000	500,000	-	5,000,000
Wage & Benefits Increases	-	-	-	125,000	(125,000)	-
Technology Infrastructure	-	-	-	750,000	(750,000)	-
Facility Expansion Operations Cost	300,000	300,000	100,000	75,000	(775,000)	-
Equipment Replacement (f)	300,000	300,000	100,000	75,000	(775,000)	-
Interfund Transfers	-	-	-	1,000,000	-	1,000,000
Matching Cost	-	-	-	800,000	-	800,000
	-	-	-	-	-	-
TOTAL TIER II APPROPRIATED BUDGET (g)	24,205,000	23,095,000	57,966,000	40,809,000	(2,425,000)	143,650,000

(1) CEC will determine Reserve & Set-Aside Amounts

(2) Reserve to provide funds for the costs associated with Wage & Benefit Increases and Golden Handshake Retirement Incentive

(3) Reserve to provide funds to acquire new and replace System-wide Technology Only (College 'end-user' Technology is funded via the Equipment Replacement Reserve; College Reserve and/or Base/Growth/COLA Allocations)

(4) Reserve to provide operating funds to support additional GSF (example shown represents \$11.00 per GSF for 100K additional GSF)

(5) Reserve to provide funds for the acquisition and replacement of instructional and non-instructional equipment.

(6) Reserve to provide funds to participate in Matching Funds Programs

(7) Reserve to support non Resource 1000 activities

(a) Distributed based on: Foundation Grant Amount per College, balance (net of District Office Cost - TBD by CEC) based on most recent actual three year average of FTES

*****NOTE: AMOUNTS SHOWN ARE WAGS*****

(b) Distributed based on Growth (or Decline) FTES by College, if aggregate Growth exceeds funded Growth, the distributed shall be pro-rated.

(c) Distributed based on base allocation per entity, pro-rated

(d) Distributed based on most recent actual three year average of FTES

(e) Functions of Central Services shall include budget for all AXX locations EXCEPT for the Chancellor, Vice Chancellors, & related office staff inclusive of all 1XXX thru 6XXX objects.

(f) Total allocation to be determined by CEC, District Office Allocation to be determined by CEC; allocation to colleges to be distributed based on most recent actual three year average of FTES

(g) The Colleges and District Office would need to make the necessary budget adjustments (increases or decreases) to balance to this figure after the cost of permanent salaries, benefits, and other non-discretionary budgets have been determined.

Option A

	MV	Norco	Riverside	District
FY04-5 Actual	5,413	5,427	13,729	24,569
FY05-6 Actual	6,083	5,781	14,274	26,138
FY06-7 Actual	6,130	5,799	13,852	25,781
3 Year Average	<u>5,875</u>	<u>5,669</u>	<u>13,952</u>	<u>25,496</u>
Percentage	<u>23.04%</u>	<u>22.23%</u>	<u>54.72%</u>	<u>100.00%</u>

Option B

FY05-6 Actual	6,083	5,781	14,274	26,138
FY06-7 Actual	6,130	5,799	13,852	25,781
FY07-8 Target (A)				
3 Year Average	<u>4,071</u>	<u>3,860</u>	<u>9,375</u>	<u>17,306</u>
Percentage	<u>15.97%</u>	<u>15.14%</u>	<u>36.77%</u>	<u>67.88%</u>

(A) As determined by District Office

Option A

Computational Revenue - Exh C	\$ 127,682,231				
All Other Revenue Res 1000	<u>10,154,052</u>				
Total Available Funds	<u>\$ 137,836,283</u>				
Cost of District Office	<u>\$ 30,277,311</u>				
	<u>MV</u>	<u>Norco</u>	<u>Riverside</u>	<u>District Office</u>	<u>Total</u>
Basic Allocation	3,135,900	3,135,900	3,658,550	-	9,930,350
Gen Appropriation based on 3 Yr Avg					
Actual FTES Distribution	<u>27,134,906</u>	<u>26,181,966</u>	<u>64,435,009</u>	-	<u>117,751,881</u>
Total General Apportionment	30,270,806	29,317,866	68,093,559	-	127,682,231
Other Res 1000 Revenue based on 3 Yr					
Avg Actual FTES Distribution	<u>2,339,914</u>	<u>2,257,739</u>	<u>5,556,399</u>	-	<u>10,154,052</u>
Total Allocation Before District Office	32,610,719	31,575,606	73,649,958	-	137,836,283
Cost of District Office Based on 3 Year					
Avg Actual FTES	<u>(6,977,145)</u>	<u>(6,732,118)</u>	<u>(16,568,048)</u>	<u>30,277,311</u>	-
Final Allocation	<u>25,633,574</u>	<u>24,843,488</u>	<u>57,081,910</u>	<u>30,277,311</u>	<u>137,836,283</u>
Percent of Total Base Budget	18.60%	18.02%	41.41%	21.97%	100.00%
Net District Office	23.83%	23.10%	53.07%	0.00%	100.00%
Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		
	26,901,975	21,271,581	63,985,539		

Pros:

Correlation between FTES and Final Allocation
 Encourages Growth & Efficiency
 District Office Cost is allocated by Campus based on FTES

Cons:

May require multi-year implementation
 District Office Cost is allocated by Campus based on FTES
 Does not directly recognize cost of higher cost programs/disciplines
 Does not provide for a specific allocation to recognize the cost of facility operations.

Option B

Computational Revenue - Exh C	\$ 121,264,263				
All Other Revenue Res 1000	<u>22,370,406</u>				
Total Available Funds	<u>\$ 143,634,669</u>				
Cost of District Office	<u>\$ 30,277,311</u>				
	<u>MV</u>	<u>Norco</u>	<u>Riverside</u>	<u>District Office</u>	<u>Total</u>
Current Base Budget	26,901,975	21,271,581	63,985,539	30,277,311	142,436,406
Base Budget Adjustment: Blended Rate					
of Cost of District Office and 3 Yr Avg					
Actual FTES	<u>(300,834)</u>	<u>2,025,962</u>	<u>(771,921)</u>	-	<u>953,207</u>
Final Allocation	<u>26,601,141</u>	<u>23,297,543</u>	<u>63,213,618</u>	<u>30,277,311</u>	<u>143,389,613</u>
Percent of Total Base Budget	18.55%	16.25%	44.09%	21.12%	100.00%
Net District Office	23.52%	20.60%	55.89%	0.00%	100.00%
Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		

Pros:

Cons:

Option A

Computational Revenue - Exh C	\$ 94,474,920
All Other Revenue Res 1000	10,154,052
Total Available Funds	<u>\$ 104,628,972</u>

Cost of District Office	<u>\$ 30,277,311</u>
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	MV	Norco	Riverside	District Office	Total
Basic Allocation	3,135,900	3,135,900	3,658,550	-	9,930,350
Gen Appropriation based on 3 Yr Avg					
Actual FTES Distribution	19,482,567	18,798,367	46,263,636	-	84,544,570
Total General Apportionment	22,618,467	21,934,267	49,922,186	-	94,474,920
Other Res 1000 Revenue based on 3 Yr Avg					
Avg Actual FTES Distribution	2,339,914	2,257,739	5,556,399	-	10,154,052
Total Allocation Before District Office	24,958,381	24,192,006	55,478,585	-	104,628,972
Final Allocation	<u>24,958,381</u>	<u>24,192,006</u>	<u>55,478,585</u>	<u>-</u>	<u>104,628,972</u>
Percent of Total Base Budget	23.85%	23.12%	53.02%	0.00%	100.00%
Net District Office	23.85%	23.12%	53.02%	0.00%	100.00%
Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		

Pros:

Correlation between FTES and Final Allocation
 Encourages Growth
 District Office Cost is allocated by Campus based on FTES

Cons:

May require multi-year implementation
 District Office Cost is allocated by Campus based on FTES

Option B

Computational Revenue - Exh C	\$ 121,264,263
All Other Revenue Res 1000	22,370,406
Total Available Funds	<u>\$ 143,634,669</u>

Cost of District Office	<u>\$ 30,277,311</u>
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	MV	Norco	Riverside	District Office	Total
Current Base Budget	26,901,975	21,271,581	63,985,539	30,277,311	142,436,406
Base Budget Adjustment: Blended Rate of Cost of District Office and 3 Yr Avg					
Actual FTES	(300,834)	2,025,962	(771,921)	-	953,207
Final Allocation	<u>26,601,141</u>	<u>23,297,543</u>	<u>63,213,618</u>	<u>30,277,311</u>	<u>143,389,613</u>
Percent of Total Base Budget	18.55%	16.25%	44.09%	21.12%	100.00%
Net District Office	23.52%	20.60%	55.89%	0.00%	100.00%
Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		

Pros:

Cons:

	A	C	E	G	I	K
1	Assumptions:				3-Yr Avg FTES	
2	No COLA; 1% Growth; Carry Over Considered Separately				% of Exp Budget	
3					One-time money	
4	Option C					
5	Computational Revenue - Exh C	\$ 126,552,423	from 07-08 Adopted Budget			
6	Other Revenue Resource 1000	\$ 8,081,822	non-location specific			
7	Sub-total	\$ 134,634,245				
8	Location specific Revenue	\$ 272,038				
9	Total Current Year Revenue	\$ 134,906,283				
10	Estimated Ending Balance end of 07-08	\$ 9,423,484	07-08 contingency			
11	Average per location unspent budget 4000-5000-6000	\$ 2,153,223				
12	Average revenue over budget	\$ 2,263,996				
13	Average unspent budget 1000-2000- 3000	\$ 1,629,739		\$ 15,470,442		
14	TAF (Total Available Funds)	\$ 152,529,948		773,522.10		
15		7,626,497	5% of TAF			
16		\$ 144,903,451				
17						
18		MV	Norco	Riverside	District Office	Total
19	Basic Allocation (Schedule C)	1,059,200	1,059,200	4,236,800	1,059,200	7,414,400
20	Remaining revenue by 3-yr Avg FTES	27,454,330	26,490,173	65,193,520	-	119,138,023
21	Total Computational Revenue	28,513,530	27,549,373	69,430,320	1,059,200	126,552,423
22	Other Revenue by 3 Yr. Ave FTES	1,862,386	1,796,982	4,422,454	-	8,081,822
23	Location specific Revenue	88,400	-	173,746	9,892	272,038
24	Est Ending Bal by 3 Yr. Ave FTES	414,100	399,557	983,329	-	1,796,987
25	Average per location unspent budget 4000-5000-6000	135,029	124,121	489,238	1,404,835	2,153,223
26	Average revenue over budget	521,718	503,396	1,238,881	-	2,263,996
27	Average unspent budget 1000-2000- 3000	308,129	242,635	732,420	346,555	1,629,739
28	Total Allocation	31,843,292	30,616,065	77,470,388	2,820,482	\$ 142,750,228
29						
30	District Office base exp allocated by 3-yr Avg FTES	(6,977,145)	(6,732,118)	(16,568,048)	30,277,311	-
31	Allocated Revenues	24,866,147	23,883,947	60,902,340	33,097,793	\$ 142,750,228
32						
33						
34						
35						
36						
37						
38	Expenditure Budgets less 1-time Eq & Remodel as of January 2008	26,639,412	20,977,126	63,321,698	29,961,611	\$ 140,899,847
39	Difference Between Revenue & Expenditures	(1,773,265)	2,906,821	(2,419,358)	3,136,182	1,850,381
40						
41	1% Funded Growth for 08-09 + 4.53% on Basic Allocation	353,859	341,432	840,280	-	1,535,571
42		(1,419,406)	3,248,253	(1,579,078)	3,136,182	
43	Amount More (Less) than 07-08 Budget of Expenditure	#REF!	#REF!	#REF!	#REF!	#REF!
44						
45	07-08 FTES growth	626,508	604,506	1,487,717	-	2,718,731
46		#REF!	#REF!	#REF!	#REF!	#REF!
47	07-08 FTES growth added to base for 08 09	626,508	604,506	1,487,717	-	2,718,731
48		#REF!	#REF!	#REF!	#REF!	#REF!

	A	C	E	G	I	K
49						
50	Pros:					
51	Correlation between FTES and Final Allocation					
52	Encourages Growth & Efficiency					
53	Identifies revenue as one-time or on-going, and identifies location specific revenues					
54						
55						
56	Cons:					
57	May require multi-year implementation					
58	Does not directly recognize cost of higher cost progams/disciplines					
59	Does not provide for a specific allocation to recognize the cost of facility operations.					
60						
61	Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		100.00%
62						
63	Percent of Expenditure budgets	18.91%	14.89%	44.94%	21.26%	100.00%

	A	C	E	F	G	H	I	K
6	Assumptions:						3-Yr Avg FTES	
7	No COLA; 1% Growth; Unspent Funds Considered Separately						% of Exp Budget	
8	Equivalency in Full-time/Part-time load faculty load ratio						One-time money	
9	Equivalency in Educational Standards							
10	In Transition no Institution Loses Basic Budget Increases come from COLA or Growth Unless State Budget Cuts							
11	Increases in State Basic Allocation from Campus to College goes direction to that College							
12								
13	Option Bill Orr							
14	Computational Revenue - Exh C	\$ 126,552,423	from 07-08 Adopted Budget					
15	Other Revenue Resource 1000	\$ 8,081,822	non-location specific					
16	Sub-total	\$ 134,634,245						
17	Contingency from Prior Year	\$ 9,423,484						
18	Location specific Revenue	\$ 272,038						
19	Total Current Year Revenue	\$ 144,329,767						
20	TAF (Total Available Funds)	\$ 144,329,767						
21		7,216,488	5% of TAF					
22		\$ 137,113,279						
23								
24		MV	Norco		Riverside		District Office	Total
25	Basic Allocation - Administration	\$ 2,656,011.00	\$ 1,942,729.00		\$ 4,985,534.00		\$ 24,996,732.00	\$ 34,581,006.00
26	Facilities	\$ 1,860,000.00	\$ 1,692,000.00		\$ 7,680,000.00			\$ 11,232,000.00
27	Technology Standards	\$ 379,330.00	\$ 349,994.00		\$ 379,668.00		\$ 4,665,222.00	\$ 5,774,214.00
28	High Cost & Specialty Programs	\$ 4,000,000.00	\$ 350,000.00		\$ 7,000,000.00			\$ 11,350,000.00
29	Library	\$ 1,227,875.00	\$ 1,184,821.00		\$ 2,915,638.00			\$ 5,328,334.00
30	Police	\$ 225,135.00	\$ 182,135.00		\$ 339,790.00		\$ 615,357.00	\$ 1,362,417.00
31								\$ 69,627,971.00
32	Remaining revenue by 3-yr Avg FTES	\$ 15,548,614.88	\$ 15,001,983.89		\$ 36,927,960.35		\$ -	
33	Total Computational Revenue	\$ 25,896,965.88	\$ 20,703,662.89		\$ 60,228,590.35		\$ 30,277,311.00	\$ 137,106,530.12
34	Total Allocation	\$ 25,896,965.88	\$ 20,703,662.89		\$ 60,228,590.35		\$ 30,277,311.00	\$ 137,106,530.12
35								
36								
41	Expenditure Budgets less 1-time Eq & Remodel as of January 2008	\$ 26,639,412.00	\$ 20,977,126.00		\$ 63,321,698.00		\$ 29,961,611.00	\$ 140,899,847.00
42	Difference Between Revenue & Expenditures	\$ (742,446.12)	\$ (273,463.11)		\$ (3,093,107.65)		\$ 315,700.00	\$ (3,793,316.88)
43								
44								
45	Pros:							
46	Recognition of high cost programs							
47	Enforce M&O and technology standards							
48								
49								
50								
51	Cons:							
52	Not consistent with State formula for funding							
53								
54								
55								
56	Avg 3 Yr Actual FTES	23.04%	22.23%		54.72%			100.00%
57								
58	Percent of Expenditure budgets	18.91%	14.89%		44.94%		21.26%	100.00%

**RIVERSIDE COMMUNITY COLLEGE DISTRICT
BUDGET ALLOCATION MODEL - GENERAL FUND UNRESTRICTED (RESOURCE 1000)
DRAFT - 2/1/2008**

2-29-08 - Consolidated BAM Sketch Option C 2-29-08.xls

PROJECTED REVENUE (ON-GOING):

		EXAMPLE
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Reserve - Technology Acquisition & Replacement (3)	XXXX	1,000,000
Reserve - Facility Expansion Operational Cost (4)	XXXX	1,100,000
Reserve - Equipment Replacement (5)	XXXX	1,000,000

TOTAL TIER I: RESERVES/SET ASIDES	XXXX	11,350,000
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Central Services Cost Distribution (d) (e)	(3,750,000)	(3,750,000)	(7,500,000)	15,000,000	-	-
Growth / Decline (b)	550,000	550,000	1,000,000	-	-	2,100,000
COLA (c)	1,125,000	1,125,000	2,250,000	500,000	-	5,000,000
Wage & Benefits Increases	-	-	-	125,000	(125,000)	-
Technology Infrastructure	-	-	-	750,000	(750,000)	-
Facility Expansion Operations Cost	300,000	300,000	100,000	75,000	(775,000)	-
Equipment Replacement (f)	300,000	300,000	100,000	75,000	(775,000)	-
Interfund Transfers	-	-	-	1,000,000	-	1,000,000
Matching Cost	-	-	-	800,000	-	800,000
	-	-	-	-	-	-
TOTAL TIER II APPROPRIATED BUDGET (g)	24,205,000	23,095,000	57,966,000	40,809,000	(2,425,000)	143,650,000

(1) CEC will determine Reserve & Set-Aside Amounts

(2) Reserve to provide funds for the costs associated with Wage & Benefit Increases and Golden Handshake Retirement Incentive

(3) Reserve to provide funds to acquire new and replace System-wide Technology Only (College 'end-user' Technology is funded via the Equipment Replacement Reserve; College Reserve and/or Base/Growth/COLA Allocations)

(4) Reserve to provide operating funds to support additional GSF (example shown represents \$11.00 per GSF for 100K additional GSF)

(5) Reserve to provide funds for the acquisition and replacement of instructional and non-instructional equipment.

(6) Reserve to provide funds to participate in Matching Funds Programs

(7) Reserve to support non Resource 1000 activities

(a) Distributed based on: Foundation Grant Amount per College, balance (net of District Office Cost - TBD by CEC) based on most recent actual three year average of FTES

*****NOTE: AMOUNTS SHOWN ARE WAGS*****

(b) Distributed based on Growth (or Decline) FTES by College, if aggregate Growth exceeds funded Growth, the distributed shall be pro-rated.

(c) Distributed based on base allocation per entity, pro-rated

(d) Distributed based on most recent actual three year average of FTES

(e) Functions of Central Services shall include budget for all AXX locations EXCEPT for the Chancellor, Vice Chancellors, & related office staff inclusive of all 1XXX thru 6XXX objects.

(f) Total allocation to be determined by CEC, District Office Allocation to be determined by CEC; allocation to colleges to be distributed based on most recent actual three year average of FTES

(g) The Colleges and District Office would need to make the necessary budget adjustments (increases or decreases) to balance to this figure after the cost of permanent salaries, benefits, and other non-discretionary budgets have been determined.

Option A

	MV	Norco	Riverside	District
FY04-5 Actual	5,413	5,427	13,729	24,569
FY05-6 Actual	6,083	5,781	14,274	26,138
FY06-7 Actual	6,130	5,799	13,852	25,781
3 Year Average	<u>5,875</u>	<u>5,669</u>	<u>13,952</u>	<u>25,496</u>
Percentage	<u>23.04%</u>	<u>22.23%</u>	<u>54.72%</u>	<u>100.00%</u>

Option B

FY05-6 Actual	6,083	5,781	14,274	26,138
FY06-7 Actual	6,130	5,799	13,852	25,781
FY07-8 Target (A)				
3 Year Average	<u>4,071</u>	<u>3,860</u>	<u>9,375</u>	<u>17,306</u>
Percentage	<u>15.97%</u>	<u>15.14%</u>	<u>36.77%</u>	<u>67.88%</u>

(A) As determined by District Office

	A	C	E	G	I	K
1	Option C					
2	Computational Revenue - Exh C	\$ 126,552,423	from 07-08 Adopted Budget			
3	Other Revenue Resource 1000	\$ 8,081,822	non-location specific			
4	Sub-total	\$ 134,634,245				
5	Location specific Revenue	\$ 272,038				
6	Total Current Year Revenue	\$ 134,906,283				
7	Estimated Ending Balance end of 07-08	\$ 9,423,484	07-08 contingency			
8	Average per location unspent budget 4000-5000-6000	\$ 2,153,223				
9	Average revenue over budget	\$ 2,263,996				
10	Average unspent budget 1000-2000- 3000	\$ 1,629,739		\$ 15,470,442		
11	TAF (Total Available Funds)	\$ 150,376,725		773,522.10		
12		7,518,836	5% of TAF			
13		\$ 142,857,889				
14						
15		MV	Norco	Riverside	District Office	Total
16	Basic Allocation (Schedule C)	1,059,200	1,059,200	4,236,800	1,059,200	7,414,400
17	Remaining revenue by 3-yr Avg FTES	27,454,330	26,490,173	65,193,520	-	119,138,023
18	Total Computational Revenue	28,513,530	27,549,373	69,430,320	1,059,200	126,552,423
19	Other Revenue by 3 Yr. Ave FTES	1,862,386	1,796,982	4,422,454	-	8,081,822
20	Location specific Revenue	88,400	-	173,746	9,892	272,038
21	Est Ending Bal by 3 Yr. Ave FTES	438,910	423,496	1,042,242	-	1,904,648
22	Average per location unspent budget 4000-5000-6000	135,029	124,121	489,238	1,404,835	2,153,223
23	Average revenue over budget	521,718	503,396	1,238,881	-	2,263,996
24	Average unspent budget 1000-2000- 3000	308,129	242,635	732,420	346,555	1,629,739
25	Total Allocation	31,868,102	30,640,003	77,529,301	2,820,482	\$ 142,857,889
26						
27	District Office base exp allocated by 3-yr Avg FTES	(6,977,145)	(6,732,118)	(16,568,048)	30,277,311	-
28	Allocated Revenues	24,890,957	23,907,885	60,961,253	33,097,793	\$ 142,857,889
29	1% Funded Growth for 08-09 + 4.53% on Basic Allocation	353,859	341,432	840,280	-	1,535,571
30	07-08 FTES growth	626,508	604,506	1,487,717	-	2,718,731
31	07-08 FTES growth added to base for 08 09	626,508	604,506	1,487,717	-	2,718,731
32	Available Revenues	26,497,832	25,458,329	64,776,967	33,097,793	149,830,922
33						
38	Expenditure Budgets less 1-time Eq & Remodel as of January 2008	26,639,412	20,977,126	63,321,698	29,961,611	\$ 140,899,847
39	Difference	(141,580)	4,481,203	1,455,269	3,136,182	8,931,075
40						

	A	C	E	G	I	K
41						
42	Pros:					
43	Correlation between FTES and Final Allocation					
44	Encourages Growth & Efficiency					
45	Identifies revenue as one-time or on-going, and identifies location specific revenues					
46						
47						
48	Cons:					
49	May require multi-year implementation					
50	Does not directly recognize cost of higher cost progams/disciplines					
51	Does not provide for a specific allocation to recognize the cost of facility operations.					
52						
53	Avg 3 Yr Actual FTES	23.04%	22.23%	54.72%		100.00%
54						
55	Percent of Expenditure budgets	18.91%	14.89%	44.94%	21.26%	100.00%