



March 17, 2023, 9:00 am to 11:00 am
Meeting Location: Zoom Video Conference ID: 769-987-656

PBC COUNCIL MEMBERSHIP	<i>Membership – 14; Quorum – 8</i>
Nathaniel Jones III, Tri-Chair, Acting Vice Chancellor for Finance & Admin.	Dr. Diana Bajrami, Acting President, COA
Thomas Renbarger, Tri-Chair, Academic Senate Pres.	Jennifer Shanoski, President, PFT
Kawanna S. Rollins, Tri-Chair, Classified SEIU Representative	Stacey Shears, Vice President of Student Services, BCC
Adil Ahmed, Associate Vice Chancellor for Finance & Administration	RJ Ishimaru, Student Representative
Donald Moore, DAS President	Dr. Francisco Herrera, Institutional Research Designee
Matthew Freeman, Faculty, BCC	Javier Lopez, Local 39 Representative
Sinead Anderson, SEIU Representative	
David M. Johnson, President, Merritt College	Richard Ferreira, Executive Assistant, District, Notetaker (non-voting)
	*NOTE: Blue identified as absent

Guests

Albert Maniaol, Director of Academic Affairs, District	
Dave Vigo, Budget Director, Finance & Administration, District	
Dr. Stephanie Droker, Deputy Chancellor & COO, District	
Jamille Teer, Facilities Project Coordinator, District	
Lowell Bennett, Faculty, Merritt College	
Marie Amboy, Acting Vice President of Academic Svcs., Merritt	
Momo Lim, Internal Auditor, Finance & Administration, District	
Sean Brooks, Vice President of Administrative Services, BCC	

Planning & Budgeting Committee (PBC) Minutes

Agenda Item	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
I. Standing Items					
A. Call to Order			The PBC meeting was called to order at 9:05 am. Quorum was met.		
B. Adoption of the Agenda			Motion and seconded to accept the Agenda. Motion approved unanimously.		
C. Approval of Minutes			Motion and seconded to accept the Minutes from February 10, 2023. Motion approved.		
D. Report of Action Taken			No reports of action taken.		
E. Report of College Budget Committee			Marie Amboy of Merritt College stated that they finished completing a review of the Position Control. Now in the process of having discussions around allocations for budget development, specifically, fund 01 (General Fund) and how it is allocated across the college. Concerns regarding the increase in utilities costs and how the college will be covering those expenses. There will be an impact.		

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			Sean Brooks of Berkely City College stated there are discussions through Integrated Planning and Allocation of Resources (IPAR). IPAR meets once or twice a month. Discussions occurred regarding edits to Position Control. Getting ready for round two. Discretionary Budgets submitted. At the next meeting should have the final presentations and then intend to take an Annual Program Update presentation to the college roundtable for endorsement.		
F. Public Comments			<p>Lowell Bennett requested the Quarterly Report provided to the PBC to meet the goals from the Summit and believe it is important to review actuals versus budget. Believes the PBC should have Quarterly Reporting. Full time hiring number is not clear and the final number process of how it is determined is not clear.</p> <p>Donald Moore requested the 5 Year Projects presented to the PBC.</p>		
II. Carried-Over and New Items	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
A. Provide Preliminary Budget Assumptions 2023-24			Dr. Jones provided a presentation on Preliminary Budget Assumption for 2023-24. The Trend Analysis was combined with the Assumptions in one presentation.		

Planning & Budgeting Committee (PBC) Minutes

			<p>For Fiscal Year 2024, included are preliminary assumptions, please note that these are preliminaries, and have not been decided. Based on where we are right now these are the assumptions, and with assumptions that are part of an ongoing iterative process. Local revenues are always part of our budget. Provided are estimates based on the previous years and what we know today. We should expect some variability with regard to tax revenues are going to be staggered.</p> <p>We are seeking to maintain a fund balance of two months of operating expenses.</p> <p>Funds from Dual Enrollment are included in the budgeting process under the revenues. It will be included in the budgeting and expenses.</p> <p>There are concerns regarding Bad Debt with a large debt and it will be a concern with the external auditors. Peralta is working with COTOP. However, it is not enough. We need to work with an outside agency because the debt is higher than the fund balance. A Request for Proposal (RFP) was presented to the Board of Trustees a few years back but did not move forward. Finance plans to present another plan to the board requesting assistance from an outside collection agency. Last year International students began to pay more upfront rather than be able to accumulate.</p> <p>Bottom line is the district recognizes the issues and has taken some proactive steps to mitigate them.</p>		
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			<p>Dual enrollment was budgeted for 2019 and 2020. Solutions need to be brought to the Board because it does not appear we may continue to operate with a considerable debt. The Finance Department previously presented to the Board an RFP with Conserve to address the Bad Debt and it was not approved.</p> <p>We need to not put in place registration holes that allow the debt to grow and reduce the debt by having students pay as much of it as they can because the final responsibility lies with the colleges and district to collect those revenues.</p> <p>Behaviors do not change overnight, and student behavior do not change quickly. If we go roughly to correct the Bad Debt, we might see long term effects for years to come.</p>		
B. Board Policy 6250		E.3 — Fiscal Oversight	PFT received the BP 6250 changes on March 2, 2023, and did not have 30 days to review. This item was removed and requested it be presented at the next meeting.		
C. Budget Trend Analysis		E.3 — Fiscal Oversight	<p>Jennifer Shanoski presented information on the Budget Trend Analysis and is available at the following link.</p> <p>https://docs.google.com/spreadsheets/d/1IcoQ6iqmvmkWxNX7KPZE1bDIVdr49aya1pGAoeqU1EpU/edit#gid=1591197812</p>		

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			<p>The trend appears relatively flat and may help to more accurately project and understand how the budget process may appear. Data in the form of graphs can help to see fluctuations. Propose that this is good to look and request the information from the Finance Department.</p> <p>We may budget based on actual expenditures and this may be utilized to budget, however, keep in mind the impact that the District is in a surplus due to salaries savings.</p> <p>Using data based on past expenditures to inform and help people make better decisions may be useful. There are items on the revenue side that derived from changes and this needs to be considered.</p> <p>Jennifer Shanoski was thanked for her analysis and presentation. Dr. Jones continued his presentation on the Budget Trend Analysis with additional information on FTES Trend Analysis.</p> <p>Concerns regarding planning and implementation and that we may not be making investments in the dual or concurrent enrollment. Plans need to be made to grow. Non-credit courses could possibly help us.</p> <p>There is a signification decline in enrollment and fluctuation with consistent part time faculty expenses. The state on average is at 30.4 and we are at 32.7. It may take time to increase FTES and there are no assurances it will. We should look into other avenues and entertain other reoccurring resources.</p>		
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			<p>The sale of District land is another good idea, but this is a one year/time resource and not an ongoing funding solution. We need concrete strategies.</p> <p>We are looking into ways to increase funding and suggestions to reduce costs. It was noted that we need to review increasing funding and reducing expenditure to align ourselves with the future trends and long term projections.</p> <p>It was recommended we consider reorganization because expenses are continuously increasing. Many other districts are reorganizing.</p> <p>Now it is the time for each college to engage in robust discussions about these issues. Based on the external and internal scan data we are also intentional about leveraging the resources and having monthly evaluation of budgets</p>		
D. Agenda Items for next meeting			<p>Board Policy 6250</p> <p>Legislative Analysis Office (LAO) Report requested.</p> <p>Quarterly Report Review Actuals Versus Budget.</p> <p>Request clarification of full time Faculty hiring number and the process of how it is determined.</p> <ul style="list-style-type: none"> - Not getting new faculty because the State did not provide funding. <p>Report of the 5 Year Projects presented to the PBC.</p> <ul style="list-style-type: none"> - Long Term Planning as a regular agenda. 		

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III. Next Meetings			April 28, 2023, 9:00 am – 11:00 am May 12, 2023, 9:00 am – 11:00 am May 26, 2023, 9:00 am – 11:00 am		
IV. Adjournment			The meeting was adjourned at 11:06 am.		

BOARD POLICY 6250 BUDGET MANAGEMENT

The budget shall be managed in accordance with Title 5 and the California Community Colleges Budget Accounting Manual. Budget revisions shall be made only in accordance with these policies and as provided by law.

Peralta Community College District shall maintain a minimum ~~40% of~~ unrestricted fund balance ~~of no less than the equivalent of two months prior year's operating expenses or revenues, whichever is least for every~~each fiscal year. When the unrestricted ending fund balance falls below ~~40% the minimum fund balance by more than \$250,000~~, the District shall adopt a plan to replenish it to ~~40% the minimum fund balance~~ within one year.

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When the unrestricted fund balance exceeds ~~40% the minimum fund balance~~, balances in excess may be set aside for ~~additional~~ reserves, investment in one-time expenditures, or appropriation to a major budget classification upon a resolution of the Board.

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See also:

BP 6300 Fiscal Management and Accounting

BP 6305 Debt

AP 6250 Budget Management

AP 6300 General Accounting

AP 6305 Debt Issuance and Management

Reference:

Title 5 Sections 58307 and 58308

Approved by the Board of Trustees: October 14, 2014

Revised and approved by the Board of Trustees: September 18, 2018

Revised and approved by the Board of Trustees: April 23, 2019



FY23/24 Preliminary Budget Assumptions & Fiscal Data Trend Analyses for PBC – 3/17/23

Presented by

Dr. Nathaniel Jones III, Acting Vice Chancellor of Finance & Administration
&
Mr. Adil Ahmed Associate Vice Chancellor of Finance & Administration



Key FY24 Preliminary Budget Assumptions

Revenues

- Max TCR to be based on Hold Harmless SCFF calculation
- COLA for HH calculation – 8.13%
- Local Revenue Estimated based on FY23 projections
- SCFF calculation includes FTES based on an approved Emergency Condition Allowance by the State



Key FY24 Preliminary Budget Assumptions

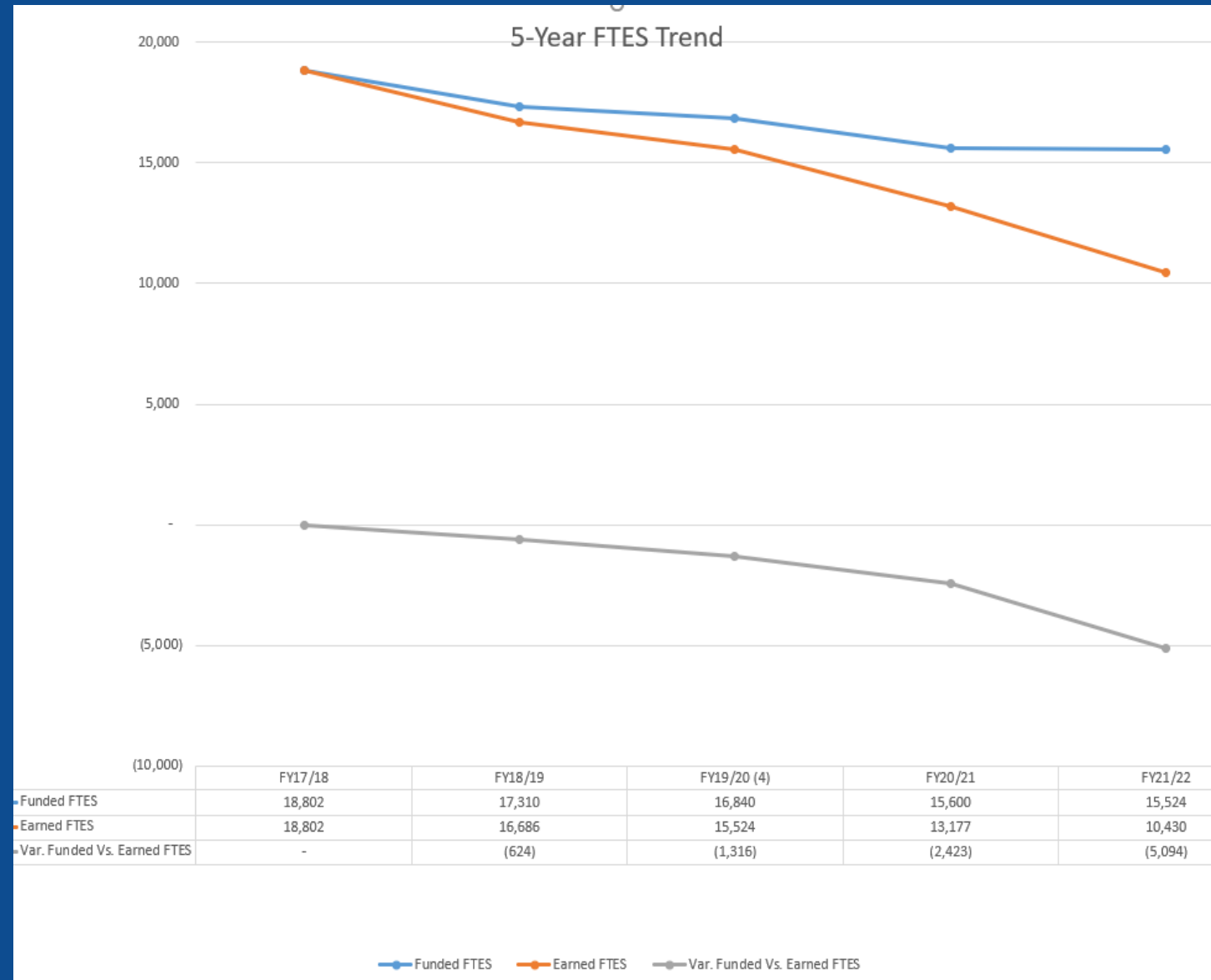
Expenses

- Salaries increased by COLA (TBD)
- Will include reductions in salaries for frozen positions to achieve a balanced budget
- PT Faculty costs increased because of 40 FTEF for Dual enrollment @ \$41K/FTEF added
- Benefits costs based on estimates using new SISC rates
- Utility share of discretionary budget increased by 5%
- Maintain Fund Balance at 2-months operating expenses level
- Bad debt payment – \$2.0M
- Contingency – \$500K
- Other Outgoes – \$1.85M
 - Property Insurance – \$400K
 - DSPS (SAS) – \$1.2M
 - Post Retiree contribution – \$250K



FTES TREND ANALYSIS

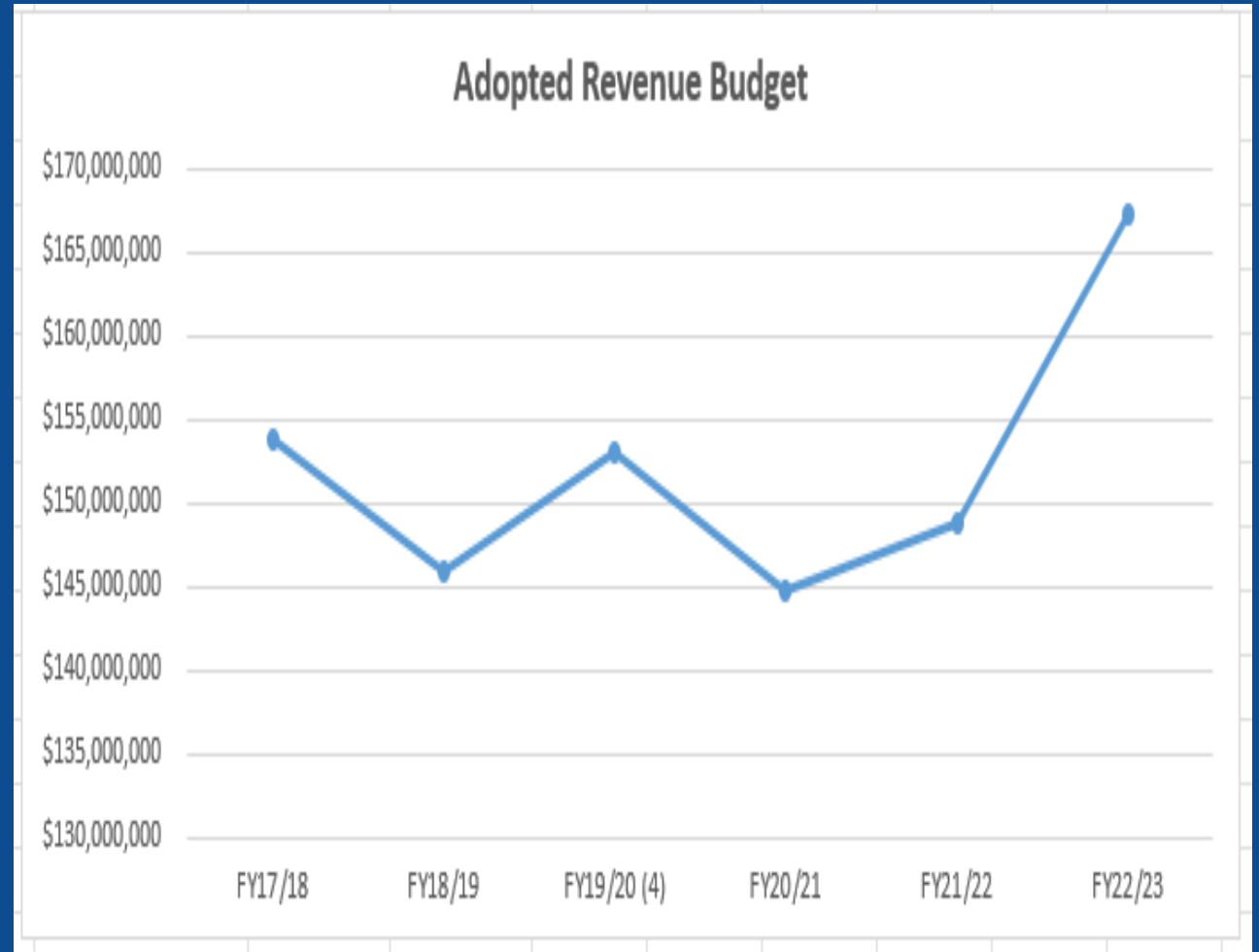
- Funded FTES declined from 18,802 to 15,524 (-17.43%)
- Earned FTES declined from 18,802 to 11,193 (-40.47%) based on P1
- Gap between funded and earned FTES has increased from -624 to -4,330 (593.91%) – Covid impacted
- Info sources Chancellor Office Exhibit C & PCCD Budget Books





Revenue Trend Analysis

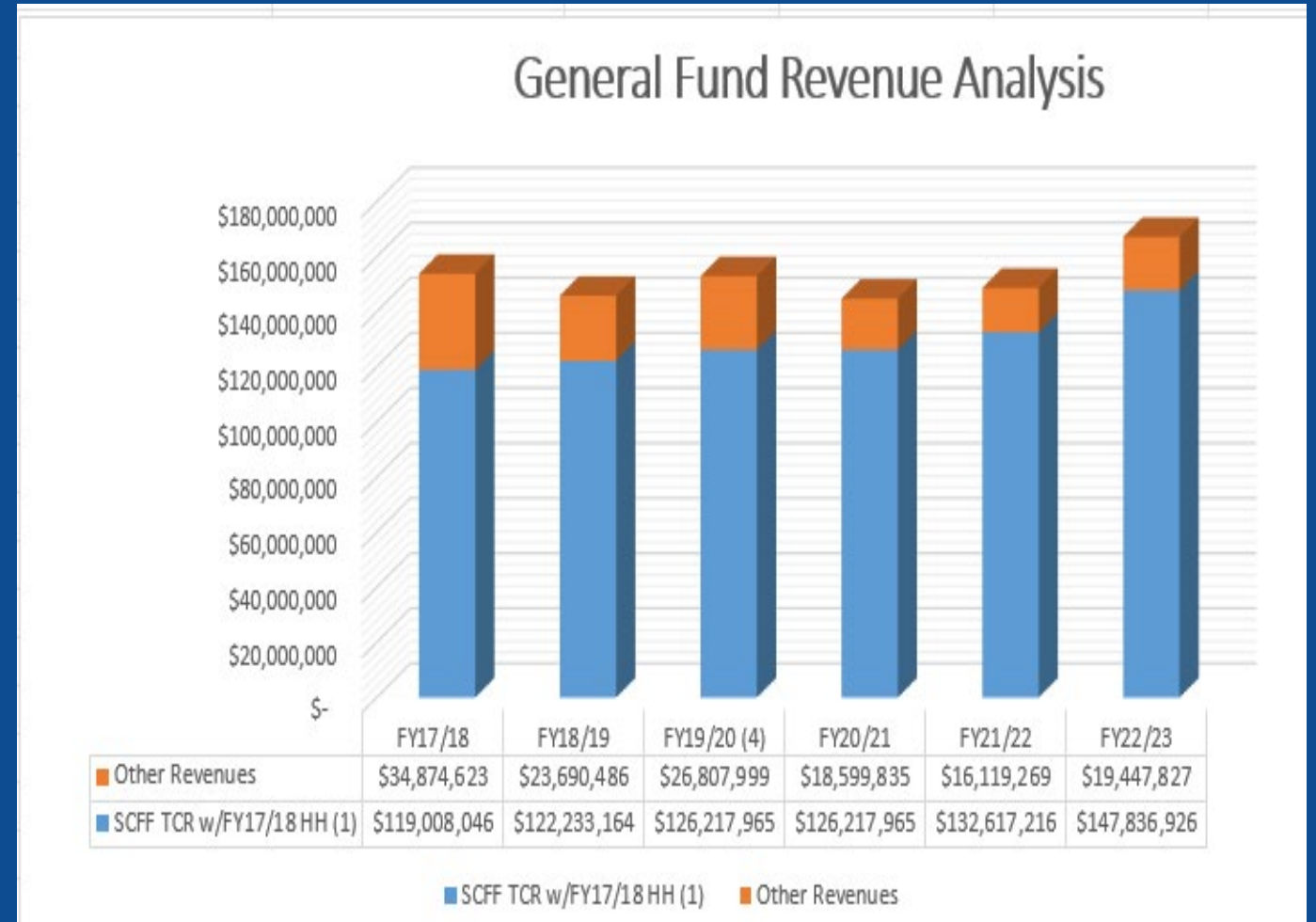
- GF revenues include state Total Computational Revenues (TCR) plus “Other Revenues” (e.g. Lottery, student health fees, non-resident fees, etc.)
- Fluctuated over the past 6-yrs. Due to changes in Other Revenues
- TCR has increased over the past 6-yrs. due to COLA (1.54, 2.71, 3.26, 0, 5.07, 6.56,)





Revenue Trend Analysis

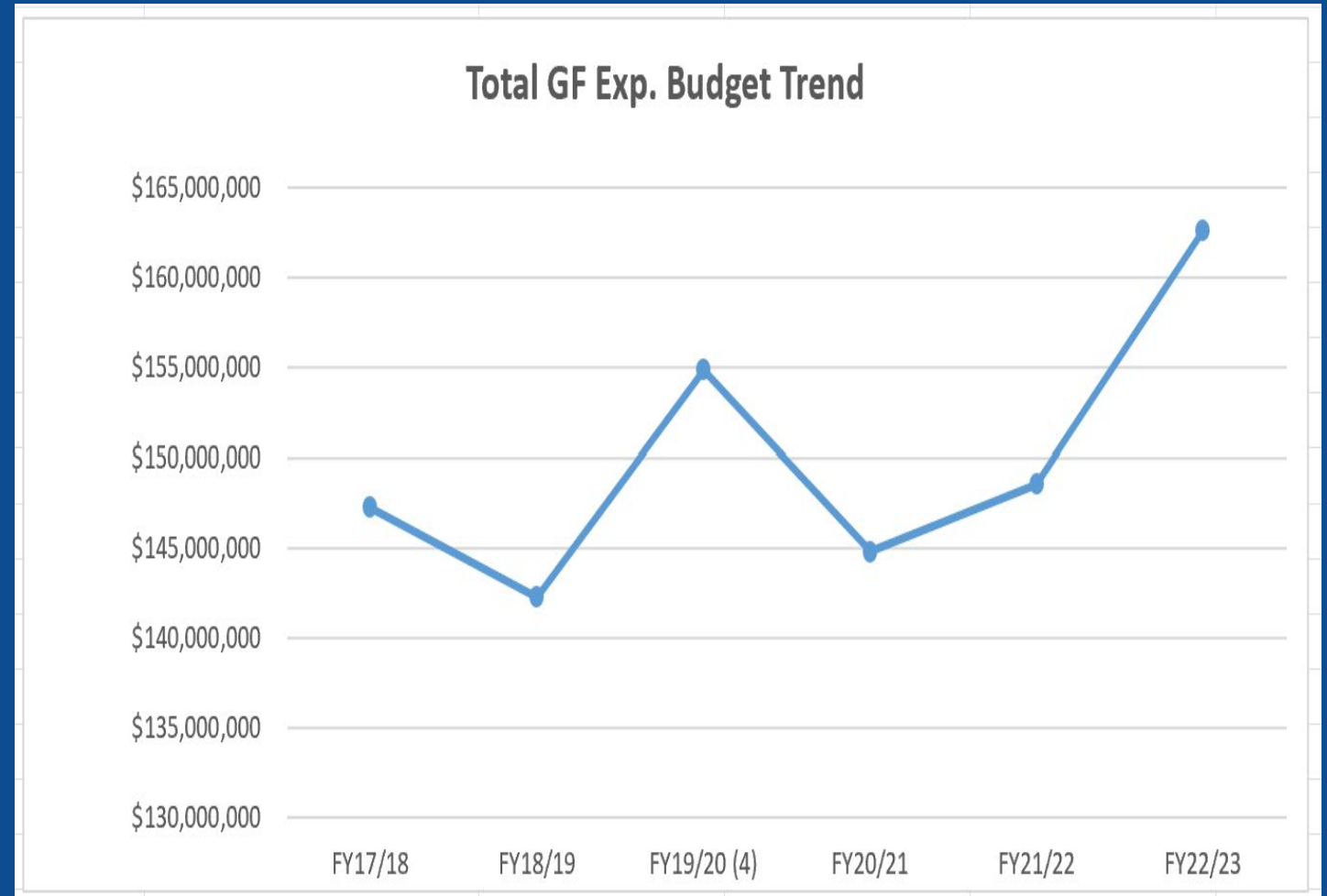
- TCR as a percentage of total GF revenues has ranged from 77.34% to 86%, with an average of 82.1%
- Other Revenues varies from year to year due to: differences in non-TCR state funding (one-time & ongoing, e.g. PT faculty Off. Hours, Student retention & Enrollment, Block Grants, etc.)





Expense Budget Trend Analysis

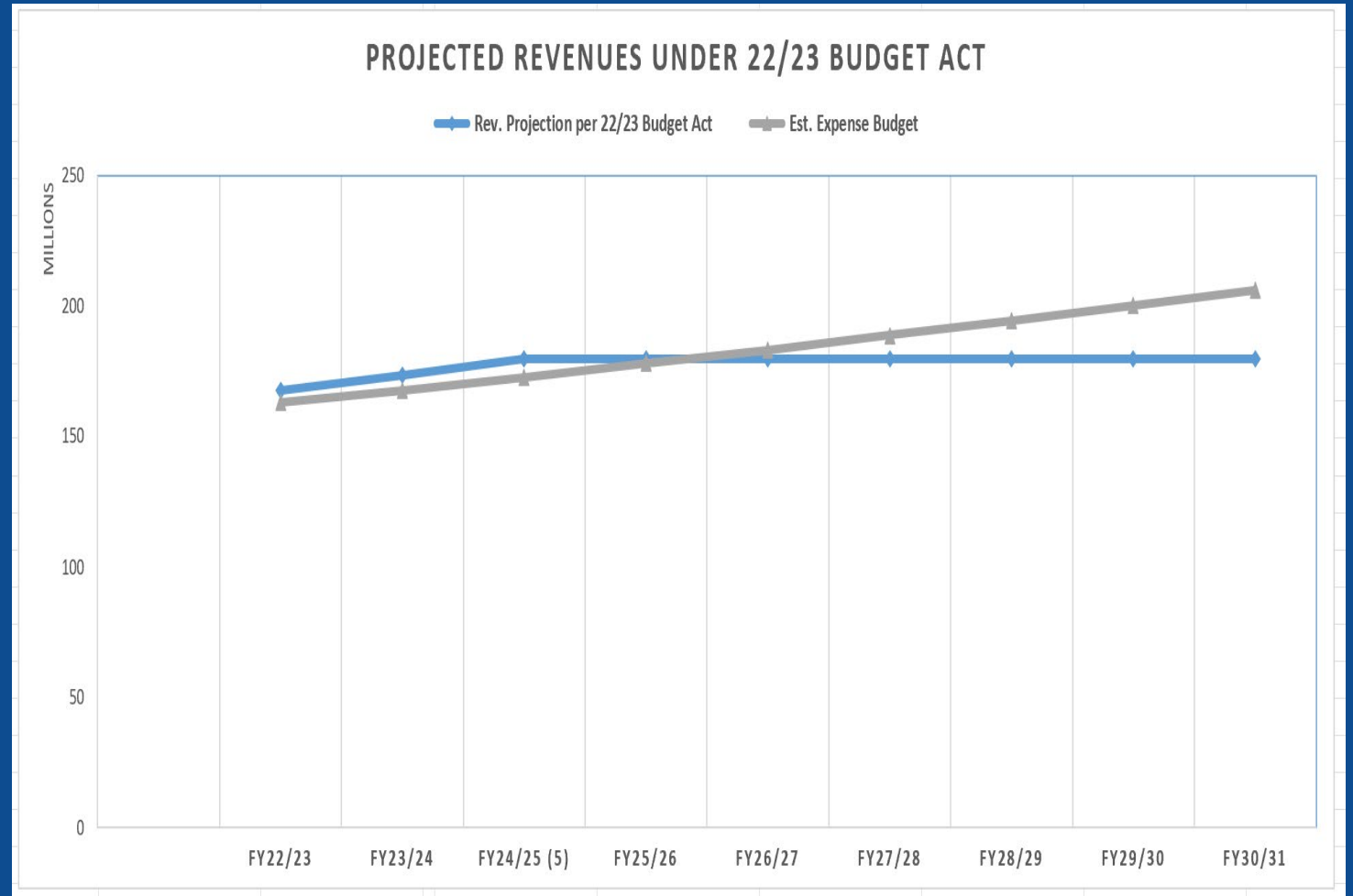
- Follows closely the trend of the budgeted revenues; balanced budget
- Reflect annual increases in key operating expense drivers:
 - Salary increases
 - Employee benefit costs
 - OPEB liability
 - Utilities costs





Revenue-Expense Projection – Sign Budget Act

- End HH in 24/25
- Set TCR floor to 24/25 level
- No future TCR COLA increases beyond FY24/25
- COLA (22/23) – 6.56
- Est. COLA (23/24) – 4%
- Est. COLA (24/25) – 4%
- Est. SCFF Metrics – N/C except for rates
- Expense projection escalation – 3%





FY21/22 Budget vs. Expenses

Fiscal Year 2021-2022				
	Account	Expense	Budget	Available Budget
Full Time Academic	1100	24,407,728.16	25,740,117	1,332,389
Other Faculty	1200	6,474,025.24	6,949,694	475,669
Academic Administration	1201	5,779,596.89	6,167,997	388,400
Classified Salary	2100	29,574,815.23	33,107,442	3,532,627
Fringes Benefits	3000	41,112,613.85	43,267,478	2,154,864
Books, Suppliers, Svces	4000	16,447,253.65	22,304,944	5,857,690
Bad Debts	5899	1,459,775.62	850,000	(609,776)
Capital Outlay	6000	334,965.53	268,751	(66,215)
Other Outgo	7000	6,885,141.86	2,256,950	(4,628,192)
Part Time Academic	1351	13,406,618.11	5,261,820	(8,144,798)
Debt Services Bonds	7120	121,704.12	2,334,000	2,212,296
	Grand Total	146,004,238.26	148,509,193	2,504,955



Employee Expense Budget Variance Trend

- FT Faculty, Administrator and classified staff expenses have been under-budget
- PT Faculty expenses have exceeded budget on avg. by **-\$7.9M** over last 5 years
- Benefit budget variance fluctuated

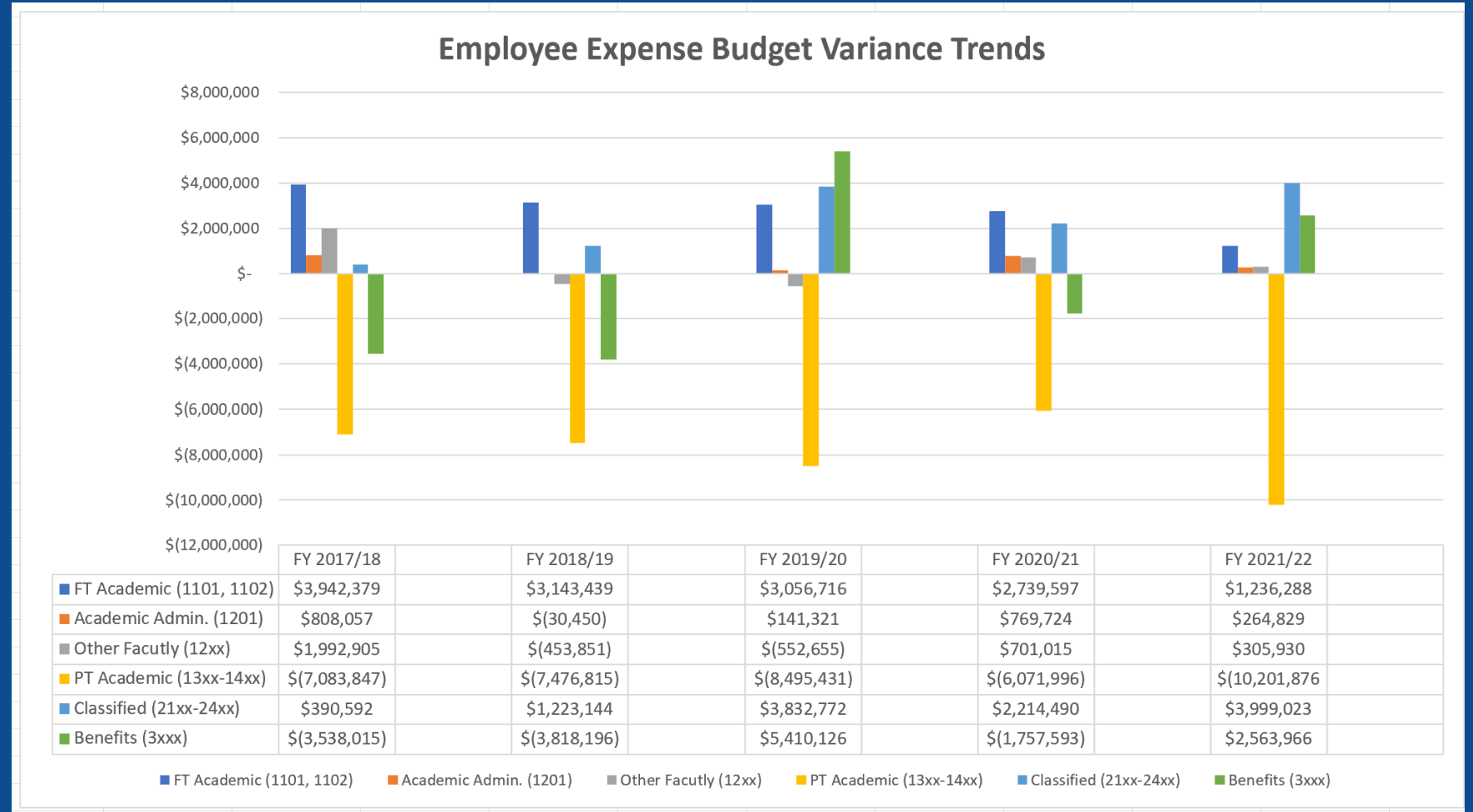


Exhibit R

Heading number ==>>>	1	2	3	4	5	6	7	8	9	10
District Name	Basic Allocation	FTES Allocation	Supplemental Allocation	Student Success Allocation	2022-23 SCFF Calculated Revenue (A)	2021-22 SCFF Calculated Revenue + COLA (B)	2022-23 Hold Harmless Revenue (C)	Stability Protection Adjustment (B)	Hold Harmless Protection Adjustment (C)	2022-23 TCR (Max of A, B, or C)
Peralta CCD	23,801,684	76,069,883	17,489,787	11,986,536	129,347,890	116,234,476	136,171,044	-	6,823,154	136,171,044

Heading number ==>>>	11	12	13	14	15	16	17	18	19	20	21	22
District Name	Property Tax	Excess Property Tax	Enrollment Fees	Estimated EPA	2015-16 Full Time Faculty Hiring	State General Apportionment	Total Revenue	Deficit Factor	Revenue Deficit	September 2022 Revised Exhibit A Certification	Restoration Authority	2022-23 Growth Authority
Peralta CCD	60,557,384	-	4,644,008	23,945,580	1,355,503	45,577,757	136,080,232	0.0667%	90,812	46,933,260	6,502,786	0.10%



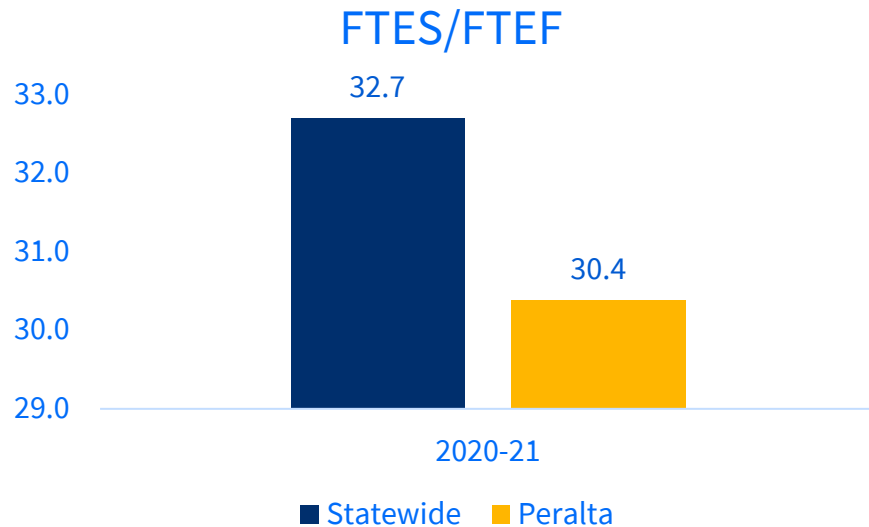
FISCAL FORWARD

Supporting California Community Colleges Fiscal Health and Success

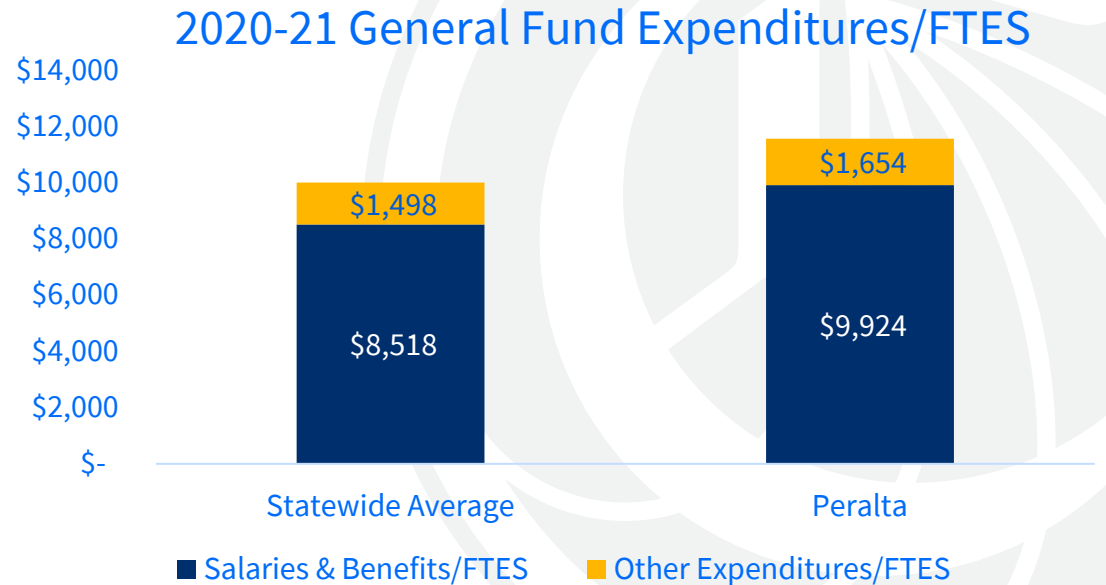
Office of Institutional Supports and Success

Efficiency Factor & Education Expense

How well are faculty resources utilized?



How much does it cost to educate a student?

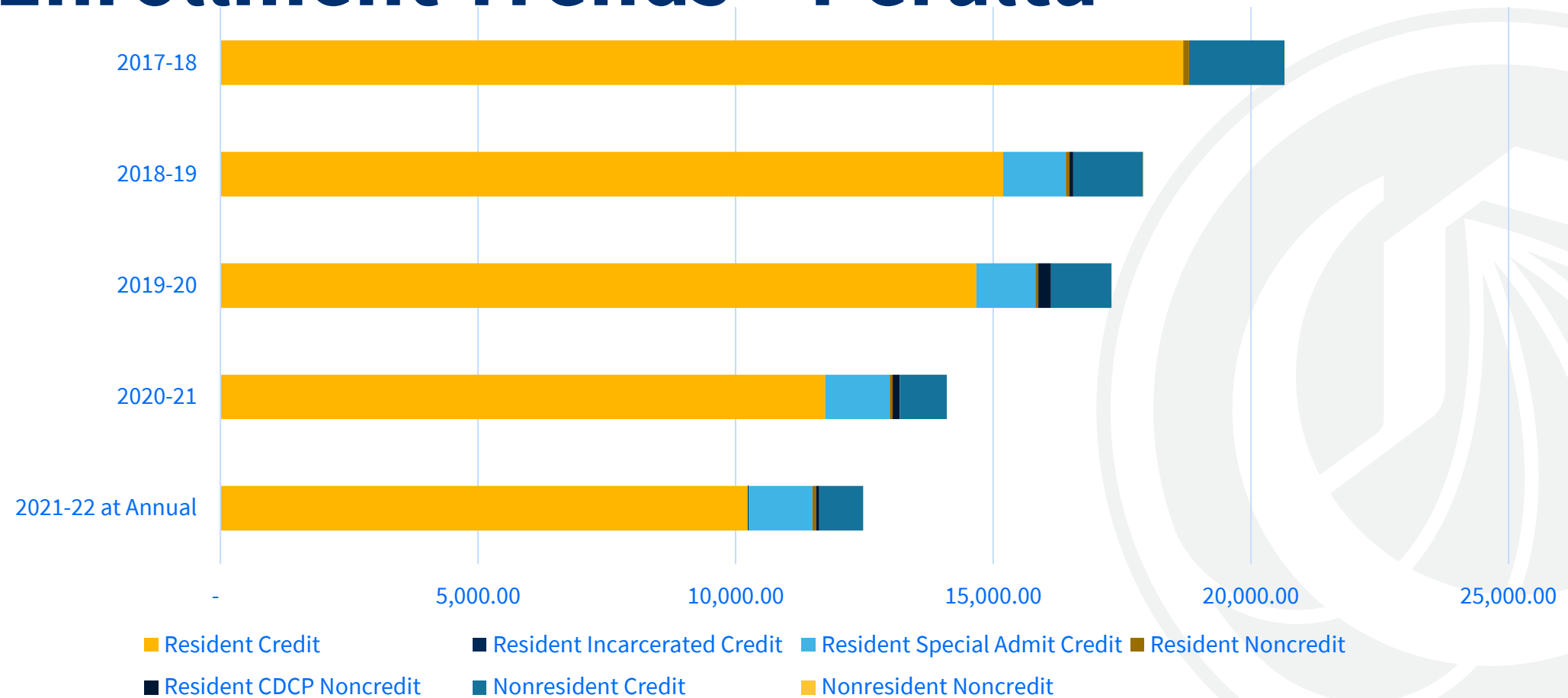




Fiscal Health Indicators

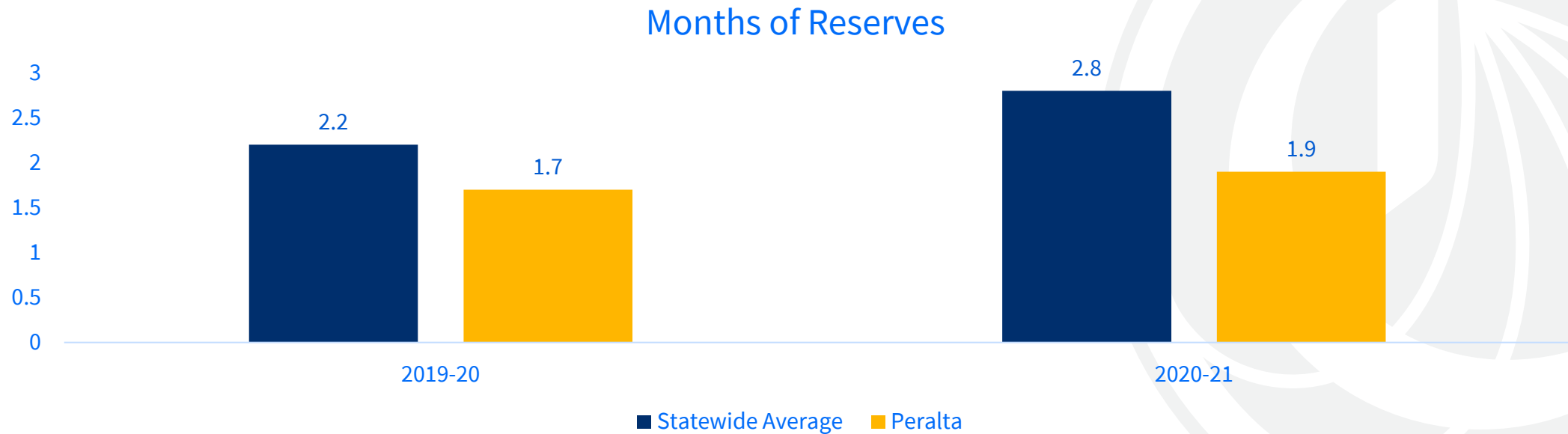
What gets measured gets improved

Enrollment Trends – Peralta



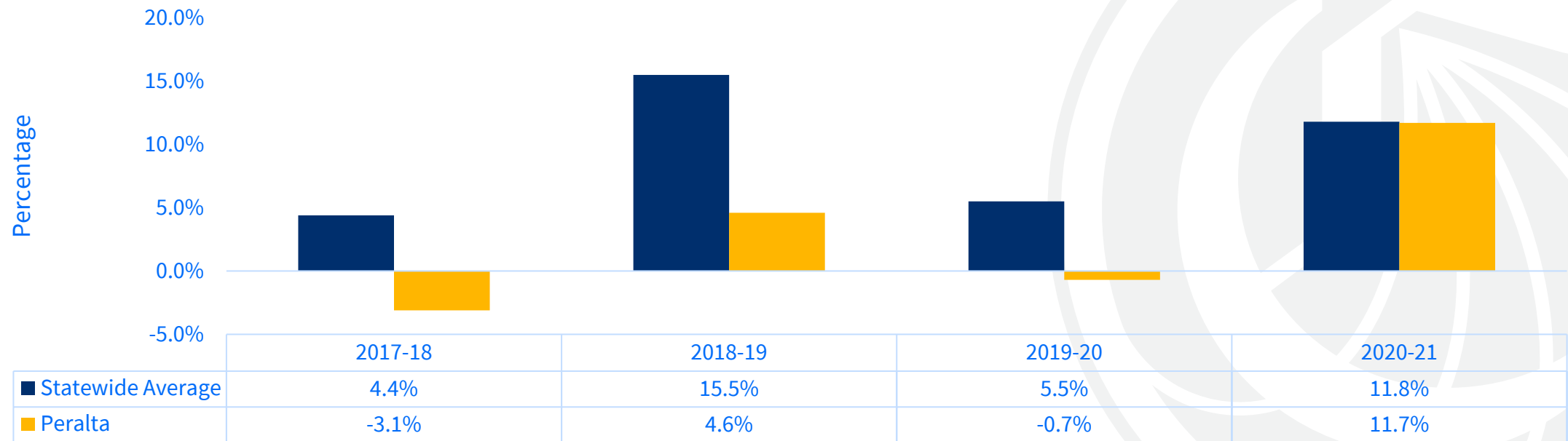
Months of Unrestricted Reserves as Share of Total General Fund Expenditures

How financially prepared is the district to weather unexpected events?



General Fund Surplus(Deficit) Spending as Percent of Revenue

How well did planned spending match actual revenue? Are one-time funds used for non-recurring purposes?

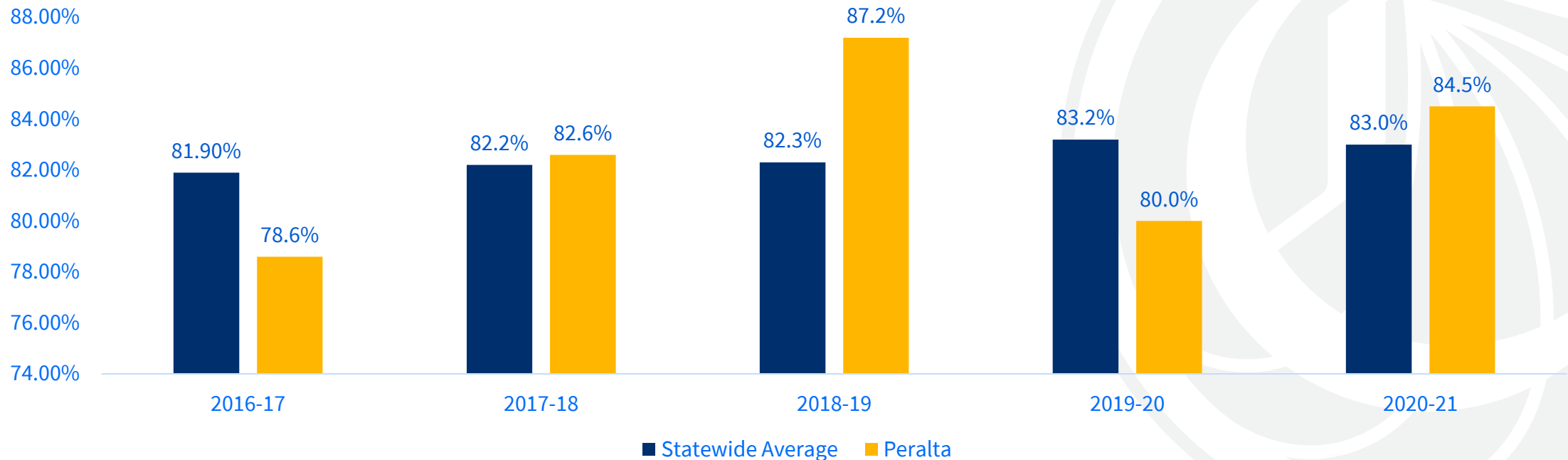


* 2021-22 projection includes only Unrestricted General Fund Spending

Salaries and Benefits Share of Total General Fund Expenditures

How much flexibility for discretionary and operational spending after paying salaries and wages?

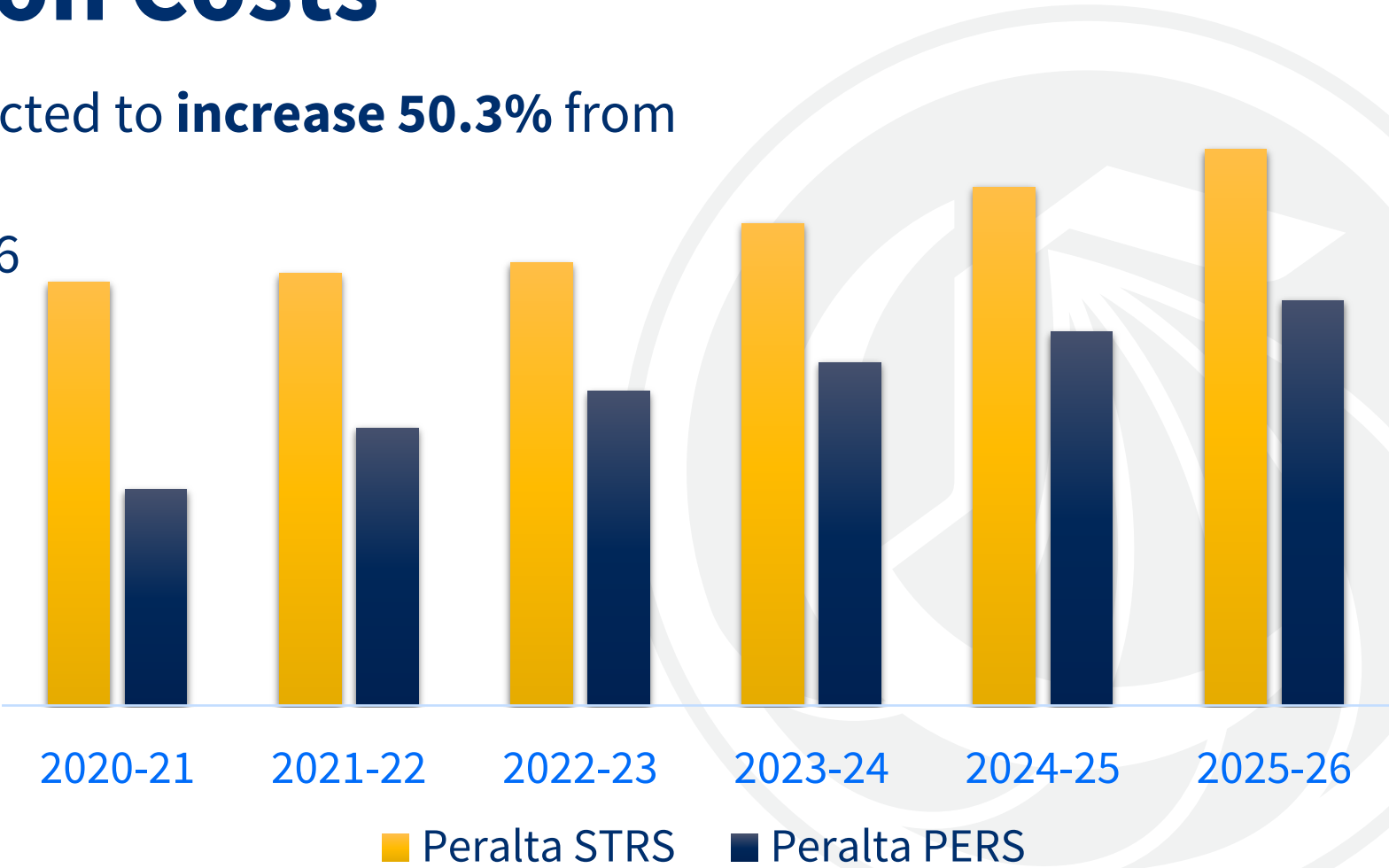
Peralta CCD Salaries and Benefits Share of Total General Fund



Projected Pension Costs

Total STRS & PERS costs projected to **increase 50.3%** from \$16,787 million in 2020-21 to **\$25,227 million** in 2025-26

Pension contribution rates are set by CalSTRS and CalPERS.

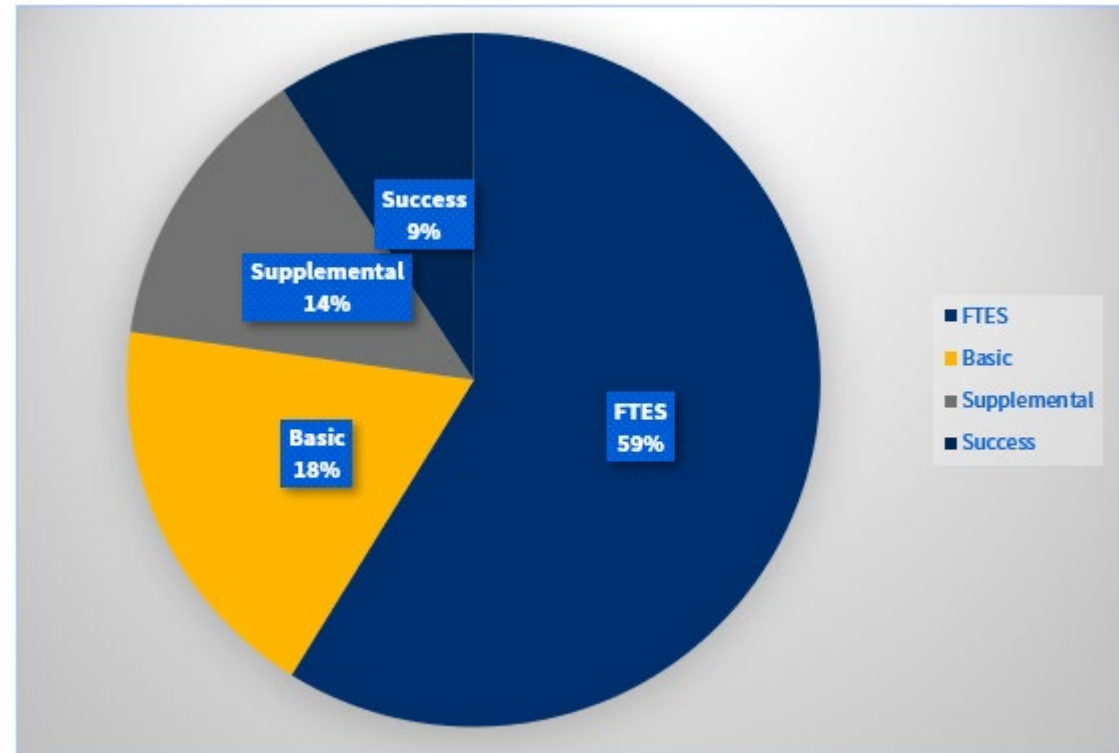
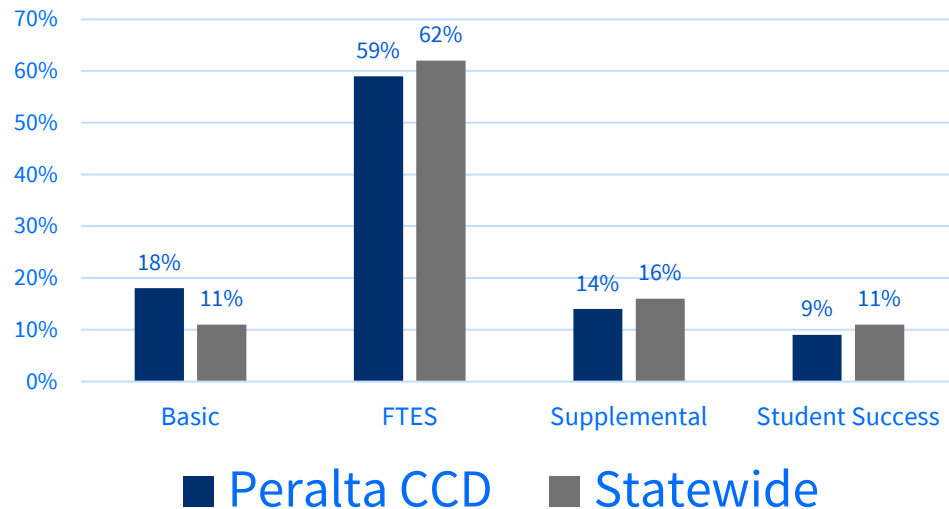


Peralta CCD 2022-23 SCFF

I. Base = Basic + FTES

II. Supplemental

III. Student Success



Student Centered Funding Formula (SCFF)
Calculated Revenue (A) \$129,347,890

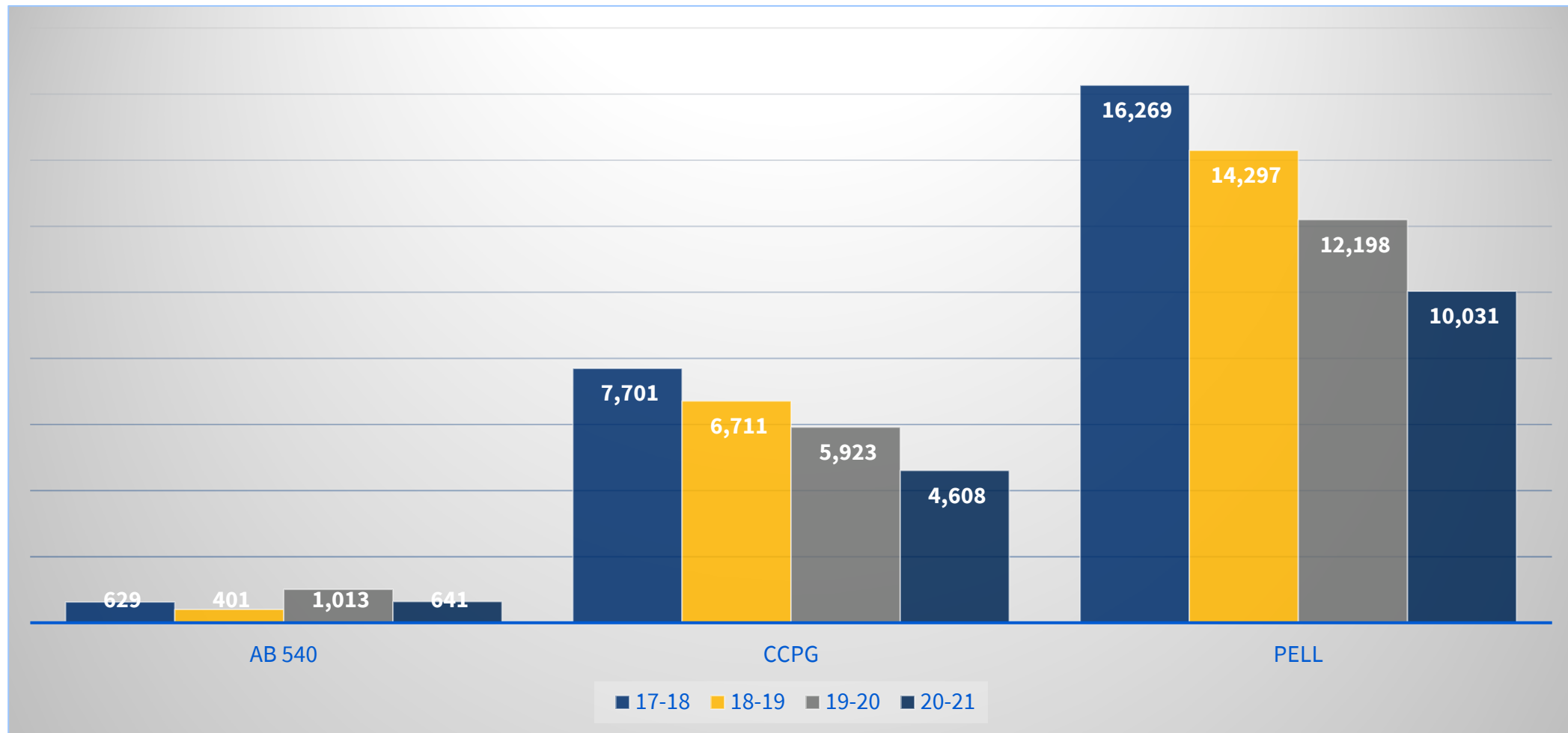
SCFF Total Computational Revenue Over the years

Peralta CCD						
		2.71%	3.26%	0.00%	5.07%	6.56%
	COLA=>>					
Total Computational Revenue (TCR)	17-18	18-19	19-20	20-21	21-22 P2 June 2022	22-23 Advance
I. Base Allocation (FTES + Basic Allocation)	114,674,531					
Basic Allocation		15,671,132	16,182,008	16,182,008	17,002,436	23,801,684
FTES Allocation		67,386,120	68,278,400	63,307,106	66,197,054	76,069,883
II. Supplemental Allocation		22,606,481	20,295,732	18,139,032	15,219,852	17,489,787
III. Student Success Allocation		10,071,312	9,740,349	10,215,807	10,659,558	11,986,536
Student Centered Funding Formula (SCFF) Calculated Revenue (A)	114,674,531	115,735,045	114,496,489	107,843,953	109,078,900	129,347,890
PY SCFF Calculated Revenue + COLA (B)				114,496,489	113,311,641	116,234,476
Hold Harmless Revenue(C)		117,782,211	121,621,911	121,621,911	127,788,142	136,171,044
Stability Protection Adjustment ¹				-	-	-
Hold Harmless Protection Adjustment ²		2,047,166	7,125,422	13,777,958	18,709,242	6,823,154
TCR (Max of A, B, or C)	114,674,531	117,782,211	121,621,911	121,621,911	127,788,142	136,171,044
¹ TCR Protection, Ed Code (ECS 84750.4(g)(4)(A))						
² Hold Harmless, Ed Code (ECS 84750.4(h))						

All Students	16-17	17-18	18-19	19-20	20-21					
ADTs	464	520	569	606	601	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Associate Degrees	822	871	861	855	732	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Baccalaureate Degrees	-	0	0	0	0					
Credit Certificates	367	339	321	425	249	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfer Level Math&English	406	356	465	656	498	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfers	1,066	1,053	1,090	1,157	1,070	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Nine or More CTE Units	2,867	2,758	2,739	2,528	2,318	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Regional Living Wage	2,539	2,713	2,863	2,947	2,865	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Total	8,531	8,610	8,908	9,174	8,333					
Pell Grant Recipients										
ADTs	275	303	337	343	346	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Associate Degrees	519	492	542	508	419	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Baccalaureate Degrees	-	0	0	0	0					
Credit Certificates	195	170	157	189	128	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfer Level Math&English	128	142	192	263	163	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfers	535	500	508	561	505	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Nine or More CTE Units	1,311	1,246	1,184	1,127	975	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Regional Living Wage	545	603	619	670	661	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Total	3,508	3,456	3,539	3,661	3,197					
Promise Grant Recipients										
ADTs	349	394	429	468	480	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Associate Degrees	646	637	688	638	564	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Baccalaureate Degrees	-	0	0	0	0					
Credit Certificates	261	242	217	270	179	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfer Level Math&English	182	184	288	377	280	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Transfers	690	669	695	751	712	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Nine or More CTE Units	1,901	1,829	1,730	1,623	1,443	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Regional Living Wage	1,098	1,138	1,268	1,316	1,205	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>

Student Success Data Trend

Supplemental Data Trend



SCFF Total Computational Revenue Over the years

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		2.71%	3.26%	0.00%	5.07%	6.56%
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Student Centered Funding Formula (SCFF) Calculated Revenue (A)	114,674,531	115,735,045	114,496,489	107,843,953	109,078,900	129,347,890
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TCR (Max of A, B, or C)	114,674,531	117,782,211	121,621,911	121,621,911	127,788,142	136,171,044
¹ TCR Protection, Ed Code (ECS 84750.4(g)(4)(A))						
² Hold Harmless, Ed Code (ECS 84750.4(h))						

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Exhibit C - Page 1

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)

I. Base Allocation (FTES + Basic Allocation)	\$ 99,871,567
II. Supplemental Allocation	17,489,787
III. Student Success Allocation	11,986,536

Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$ 129,347,890
2021-22 SCFF Calculated Revenue + COLA (B)	116,234,476
Hold Harmless Revenue (C)	136,171,044
Stability Protection Adjustment	-
Hold Harmless Protection Adjustment	6,823,154
2022-23 TCR (Max of A, B, or C)	\$ 136,171,044

All numbers reflect the estimates as of the Advance, July 2022

Revenue Sources

Property Tax & ERAF	\$ 60,557,384
Less Property Tax Excess	-
Student Enrollment Fees	4,644,008
Education Protection Account (EPA)	23,945,580
State General Fund Allocation	46,933,260

State General Fund Allocation

General Fund Allocation	\$ 45,577,757
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	1,355,503
Subtotal State General Fund Allocation	\$46,933,260
Adjustment(s)	-
Total State General Fund Allocation (Exhibit A)	\$46,933,260

Available Revenue	\$ 136,080,232
2022-23 TCR (Max of A, B, or C)	136,171,044

Revenue Deficit Percentage	0.0667%	Revenue Deficit	\$ (90,812)
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Section Ia: FTES Data and Calculations

variable	a	b	c	d	e	f=b+c+d+e	g=f (except credit = (a+b+f)/3)	h	i=g+h
FTES Category	2020-21 Applied #3	2021-22 Applied #3	2022-23 Restoration	2022-23 Decline	2022-23 Adjustment	2022-23 Applied #1	2022-23 Applied #2	2022-23 Growth	2022-23 Funded
Credit	14,964.43	14,964.43	-	-	-	14,964.43	14,964.43	-	14,964.43
Incarcerated Credit	-	-	-	-	-	-	-	-	-
Special Admit Credit	457.86	457.86	-	-	-	457.86	457.86	-	457.86
CDCP	41.71	41.71	-	-	-	41.71	41.71	-	41.71
Noncredit	59.71	59.71	-	-	-	59.71	59.71	-	59.71
Total FTES=>>>	15,523.71	15,523.71	-	-	-	15,523.71	15,523.71	-	15,523.71
Total Values=>>>		\$76,069,883	\$0	\$0	\$0				

Change from PY to CY=>>>

\$0

All numbers reflect the estimates as of the Advance, July 2022

variable	j=g x l	k=h x l	l	m=j+k	n	o=f+h	p=n-o	q=p x l
FTES Category	2022-23 Applied #2 Revenue	2022-23 Growth Revenue	2022-23 Rate \$	2022-23 Total Revenue	2022-23 Applied #0	2022-23 Applied #3	2022-23 Unfunded FTES	2022-23 Unfunded FTES Value
Credit	\$72,435,099	\$ -	\$4,840.49	\$72,435,099	14,964.43	14,964.43	-	\$ -
Incarcerated Credit	-	-	\$6,787.96	-	-	-	-	-
Special Admit Credit	3,107,934	-	\$6,787.96	3,107,934	457.86	457.86	-	-
CDCP	283,126	-	\$6,787.96	283,126	41.71	41.71	-	-
Noncredit	243,724	-	\$4,081.79	243,724	59.71	59.71	-	-
Total	\$76,069,883	\$0		\$76,069,883	15,523.71	15,523.71	-	\$ -

Total Value=>>>

\$76,069,883

All numbers reflect the estimates as of the Advance, July 2022

Section Ib: 2022-23 FTES Modifications

variable	r	s	t	u	n=s+t+u
FTES Category	Applied #0 19-20 FTES	Reported 320 2022-23 FTES	Emergency Conditions Allowance (EC) COVID-19	Other	2022-23 Applied #0
Credit	14,964.43	10,712.06	4,252.37	-	14,964.43
Incarcerated Credit	-	3.44	(3.44)	-	-
Special Admit Credit	457.86	1,010.66	(552.80)	-	457.86
CDCP	41.71	58.36	(16.65)	-	41.71
Noncredit	59.71	56.42	3.29	-	59.71
Total	15,523.71	11,840.94	3,682.77	-	15,523.71

Definitions:
PY App#3: PY App#1 plus PY Growth, is the base for CY

CY App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the CY funded FTES.

CY App#1: Base for CY plus any restoration, decline or adjustment

CY App#2: FTES that will be funded not including growth

CY App#3: CY App#1 plus Growth and used as the base for the following year

CY Adjustment: Alignment of FTES to available resources.

Change Prior Year to Current Year: CY App#0 value minus PY App#3 value and is the sum of CY restoration, decline, growth and unapplied values


Student Success Metrics

All numbers reflect the estimates as of the Advance, July 2022

Section III: Student Success Allocation

	Points	2019-20 Headcount	2020-21 Headcount	2021-22 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
All Students - Point Value \$674.94							
Associate Degrees for Transfer	4	606	601	601	602.67	\$ 2,699.76	\$1,627,053
Associate Degrees	3	855	732	732	773.00	2,024.82	1,565,184
Baccalaureate Degrees	3	0	0	0	0.00	2,024.82	0
Credit Certificates	2	425	249	249	307.67	1,349.88	415,313
Transfer Level Math and English	2	656	498	498	550.67	1,349.88	743,333
Transfer to a Four Year University	1.5	1,157	1,070	1,070	1,099.00	1,012.41	1,112,637
Nine or More CTE Units	1	2,528	2,318	2,318	2,388.00	674.94	1,611,755
Regional Living Wage	1	2,947	2,865	2,865	2,892.33	674.94	1,952,149
All Students Subtotal		9,174	8,333	8,333	8,613.33		\$9,027,424
Pell Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	6	343	346	346	345.00	\$ 1,021.46	\$352,405
Associate Degrees	4.5	508	419	419	448.67	766.10	343,723
Baccalaureate Degrees	4.5	0	0	0	0.00	766.10	0
Credit Certificates	3	189	128	128	148.33	510.73	75,759
Transfer Level Math and English	3	263	163	163	196.33	510.73	100,274
Transfer to a Four Year University	2.25	561	505	505	523.67	383.05	200,590
Nine or More CTE Units	1.5	1,127	975	975	1,025.67	255.37	261,920
Regional Living Wage	1.5	670	661	661	664.00	255.37	169,563
Pell Grant Recipients Subtotal		3,661	3,197	3,197	3,351.67		\$1,504,234
Promise Grant Recipients - Point Value \$170.24							
Associate Degrees for Transfer	4	468	480	480	476.00	\$ 680.98	\$324,145
Associate Degrees	3	638	564	564	588.67	510.73	300,651
Baccalaureate Degrees	3	0	0	0	0.00	510.73	0
Credit Certificates	2	270	179	179	209.33	340.49	71,276
Transfer Level Math and English	2	377	280	280	312.33	340.49	106,346
Transfer to a Four Year University	1.5	751	712	712	725.00	255.37	185,140
Nine or More CTE Units	1	1,623	1,443	1,443	1,503.00	170.24	255,877
Regional Living Wage	1	1,316	1,205	1,205	1,242.00	170.24	211,443
Promise Grant Recipients Subtotal		5,443	4,863	4,863	5,056.33		\$1,454,878
Total Headcounts		18,278	16,393	16,393	17,021.33		
Total Student Success Allocation							\$11,986,536



California
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Colleges

Analysis & Implications



EVEN WITH HOLD HARMLESS IN PLACE THROUGH FY24/25, PCCD HAS A FISCAL CHALLENGES THAT NEEDS TO BE ADDRESSED ASAP



IF COSTS CONTINUE ON ITS CURRENT PATH, BY FY26/27, TOTAL REVENUES WILL NOT COVER THE ESTIMATED EXPENSES



GIVEN THAT EMPLOYEE COMPENSATION IS THE GREATEST PCCD COST DRIVER, REALIGNMENT OF THESE EXPENSES WITH ANTICIPATED REVENUES IS UNAVOIDABLE; THE QUESTION IS WHEN DOES THIS START, BY HOW MUCH EA. YEAR, BY WHAT MEANS, AND OVER WHAT TIMEFRAME?



PCCD WOULD BENEFIT FROM THE DEVELOPMENT OF A COMPREHENSIVE STRATEGIC ENROLLMENT PLAN



PCCD SHOULD EXPLORE OPTIONS FOR EXPANDING NON-ENROLLMENT-BASED REVENUES



Call to Action

- The time to act to address these fiscal challenges is now
- Our work must be solutions oriented and collaborative
- Need to set/clarify principles to guide this work that reflect our values as an institution
- Failure is not an option – our students and community need us to succeed and preserve the PCCD colleges and district





Strategies for Addressing the Issues

1	PCCD Deficit Reduction Strategies & Projections						
2							
3				Fiscal Year			
4	Revenues Strategies	Feasibility (H-M-L)	DO/DSS Est. Amt.	BCC Est. Amt.	CoA Est. Amt.	Laney Est. Amt.	Merritt Est. Amt.
5	Implement auto award of degrees						
6	Correct issues of data integrity						
7	Analyze & Increase sales/services rates						
8	Increase grant awards						
9	Sell or lease property & other assets						
10	Increase fundraising						
11	Increase course caps						
12	Establish an emergency reserve holding account						
13							
14	One-time Expense Reduction Strategies						
15	Delay filling some vacant positions						
16	Furloughs						
17	Voluntary FTE reduction						
18	Shift expenses to non GF resources						
19	Renegotiate/consolidate Service Contracts						
20	Renegotiate annual compensation increases						
21	Reduce spend on operating materials/supplies						
22	Reduce faculty release time & stipends						
23	Step & Column deferral						
24	Limit non-essential travel						
25	Allow Colleges to retain carryforward balances						
26							
27	Ongoing Expense Reduction Strategies						
28	Position elimination via reorganization						
29	Eliminate vacant positions strategically						
30	Reduce the BOT required reserve						
31	Early retirement incentive program						
32	Restructure long term debt						



Thank You!

Reach out to us at info@Peralta.edu



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