

Budget 101

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Budget 101

Fund 1 Site Allocation

- Skyline College's Adopted **Fund 1 Site Allocation** for Fiscal Year 2018-19 is **\$44,804,889** (p.97)

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What does “Fund 1” mean, refer to?

The SMCCCD financial accounting methodology, like many non-profit organizations, employs “Fund Accounting” which distinguishes budget activity **by source**.

Why do this?

SMCCCD is entrusted with financial resources that carry legally binding use restrictions. Example: gift of public funds is not permitted.

As stewards of term-restricted financial resources, the institution must comply with specific funding parameters of a sponsoring agency. Fund 1: Unrestricted General funds

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What are the other Fund Categories?

Fund 1: General Unrestricted

Fund 2: Self-insured liabilities

Fund 25: Debt service

Fund 3: Restricted Funds

Fund 4: Capital Projects

Fund 5: Bookstore, Cafeteria, SMAC

Fund 6: Child Development Fund

Fund 7: Student Financial Aid

Fund 8: Retirement Reserve Funds

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- Fund 1: Unrestricted General Funds
 - District-wide unrestricted revenue: \$187,092,861 (p.15)
 - Primarily derived from property taxes and student fees
 - 79.8% will originate from San Mateo County property taxes
 - 5.1% will originate from student fees
 - 4.6% will originate from non-resident tuition

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- Fund 1: Unrestricted General Funds
 - District-wide unrestricted expense: \$187,092,861 (p.19)
 - 59.0% will fund salaries
 - 23.5% will fund benefits
 - 82.5% of district expense supports employees

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- Fund 1: Unrestricted General Funds
 - At **Skyline** (p.52)
 - 68.9% will fund salaries
 - 23.8% will fund benefits
 - **92.7%** of Skyline unrestricted funds directly support employees, also known as “*Position Control*”

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- **Fund 3: Restricted Funds**
 - Skyline will add \$12.76 million in restricted revenues (p.66)
 - Skyline will utilize \$12.13 million in restricted expense
 - These sources mostly originate with State of California
 - Pages 68 - 69 in budget book detail each fund source.

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- **Fund 4: Capital Projects**

- Buildings and other durable assets that will be amortized and depreciated over many years

- Fund 25 includes “Debt Service” which is the cost of borrowing

- SMCCCD will pay \$51.19 million to cover cost of borrowing in FY1819 (p.63)

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- ***How does Fund fit into overall picture?***
 - The first digit of a fund source indicates “Fund Type”
 - i.e. 10002 = Fund 1,
 - 31069 = Fund 3, etc.
- ***Where is it in FOAP?***
 - FOAP = Fund – Org – Account – Program
 - How many are there?
 - Skyline began current FY with 103 budgeted Fund Sources
 - **Fund 10002** designates Unrestricted General Funds at Skyline

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- ***How Does SPARC Committee fit into budget decision making?***
 - SPARC approves strategic level budget in **April/May**
 - SPARC recommends how many FTE to add
 - SPARC will recommend usage of \$70k surplus from prior year strategic budget

Budget Overview

- Link to 2018-19 Final Budget Report

<http://skylinecollege.edu/sparc/assets/agendaminutes/2018-19/2018-19FinalBudgetReport.pdf>

- Next Time: 1300's Budget