

Strategic Planning and Allocation of Resources Committee (SPARC)

Thursday, September 9, 2021
2:10 p.m.



Agenda

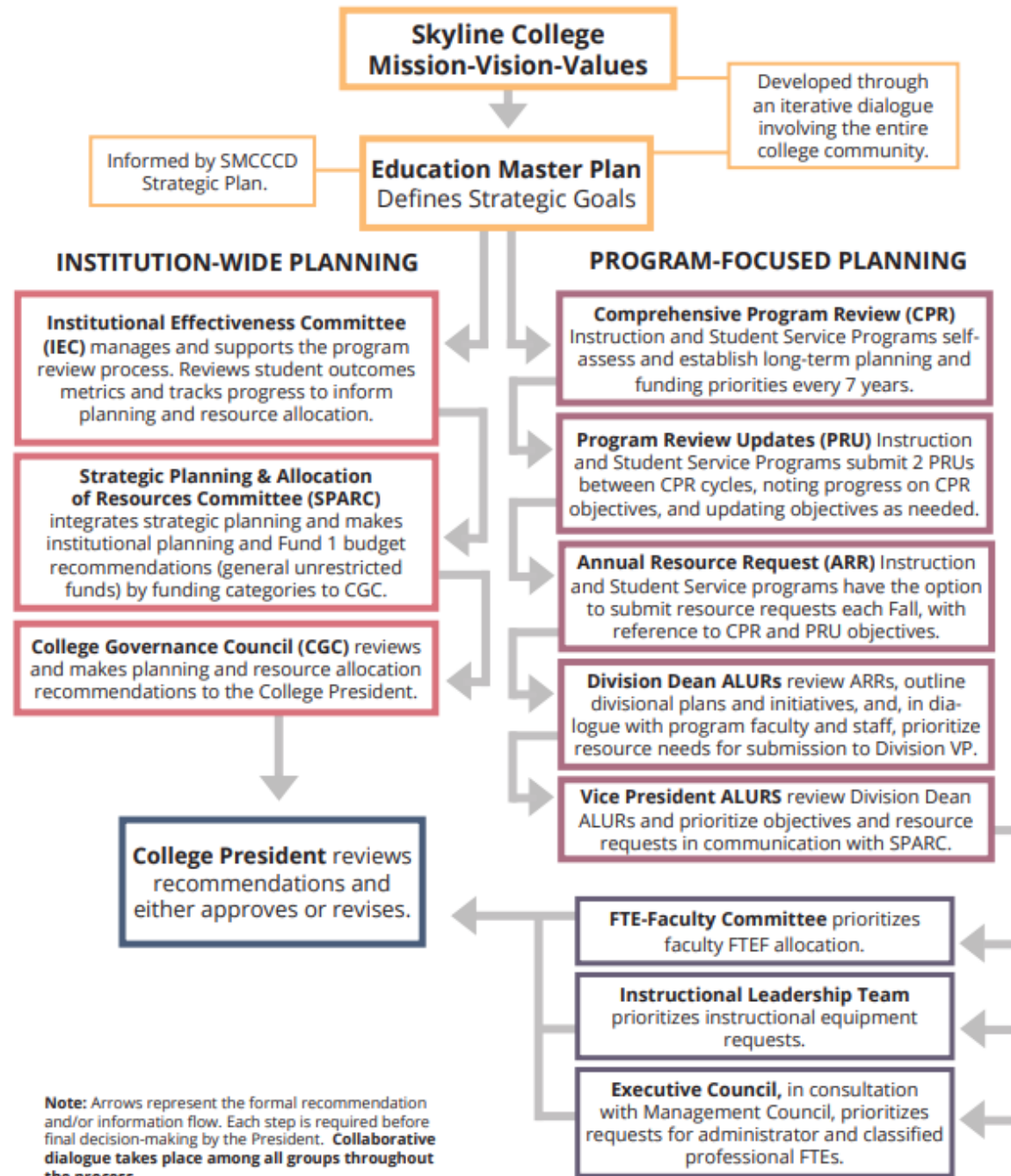
- Approve September 9, 2021 agenda
- Approve minutes of May 2021 meeting
- Budget 101
- Budget Update

Budget 101

Paul Cassidy



Skyline College Integrated Planning and Resource Allocation Model



Budget 101

Fund 1 Site Allocation

- Skyline College's Adopted **Fund 1** Site Allocation for Fiscal Year 2021-22 is **\$53,960,538**.
- In FY20-21, these funds helped educate more than 17,500 students, or 6,204 full time equivalent students (FTES).
- This allocation supports approximately 255 FTE employees.

Budget 101

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 contractual use restrictions, called “terms.” 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 is described as “unrestricted general funds.”

Budget 101

What are the unique Fund Categories?

Fund 1: General Unrestricted

Fund 2: Self-insured liabilities

Fund 25: Debt service

Fund 3: Restricted Funds

Fund 4: Capital Projects

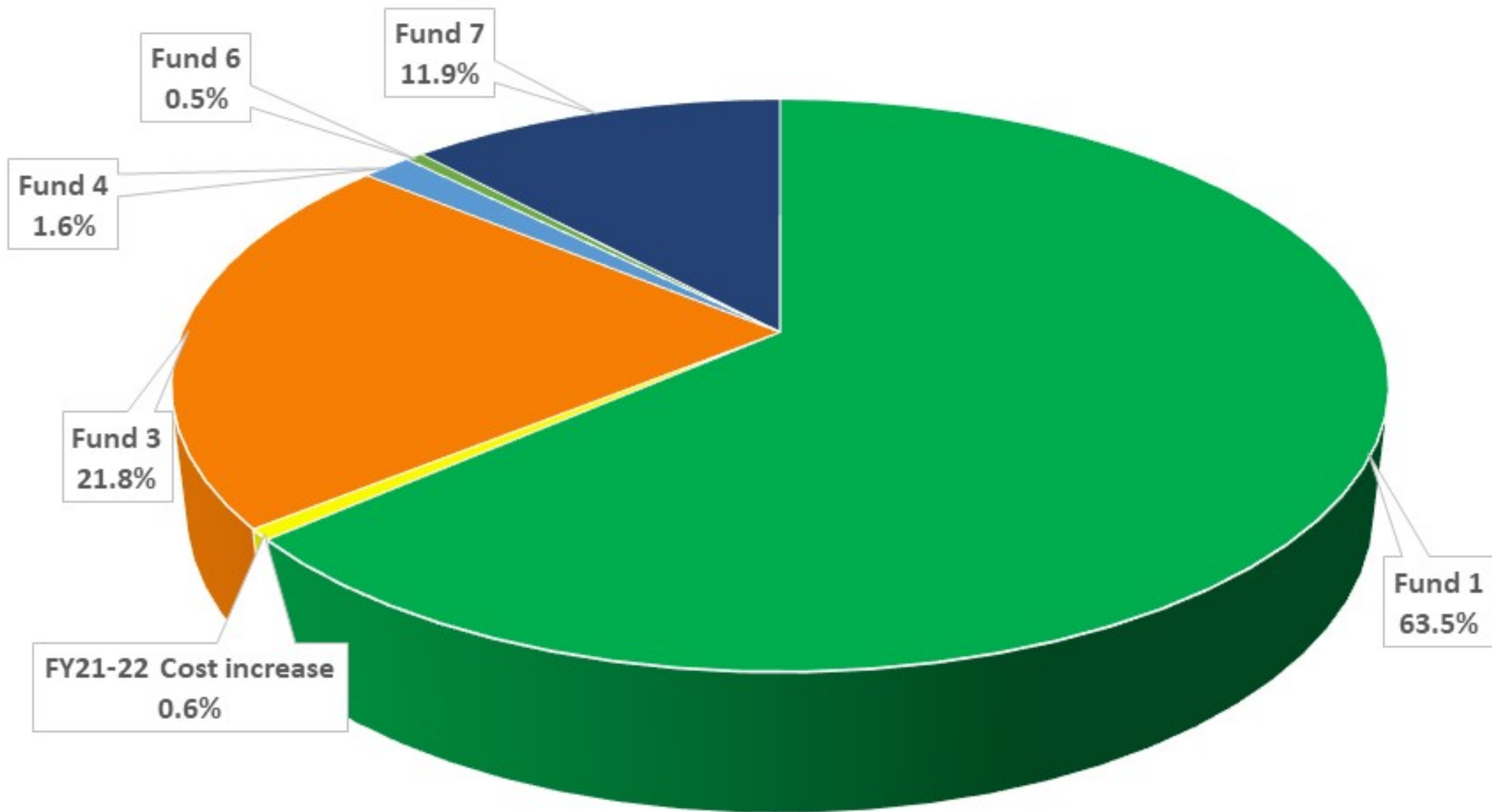
Fund 5: Bookstore, Cafeteria, SMAC

Fund 6: Child Development Fund

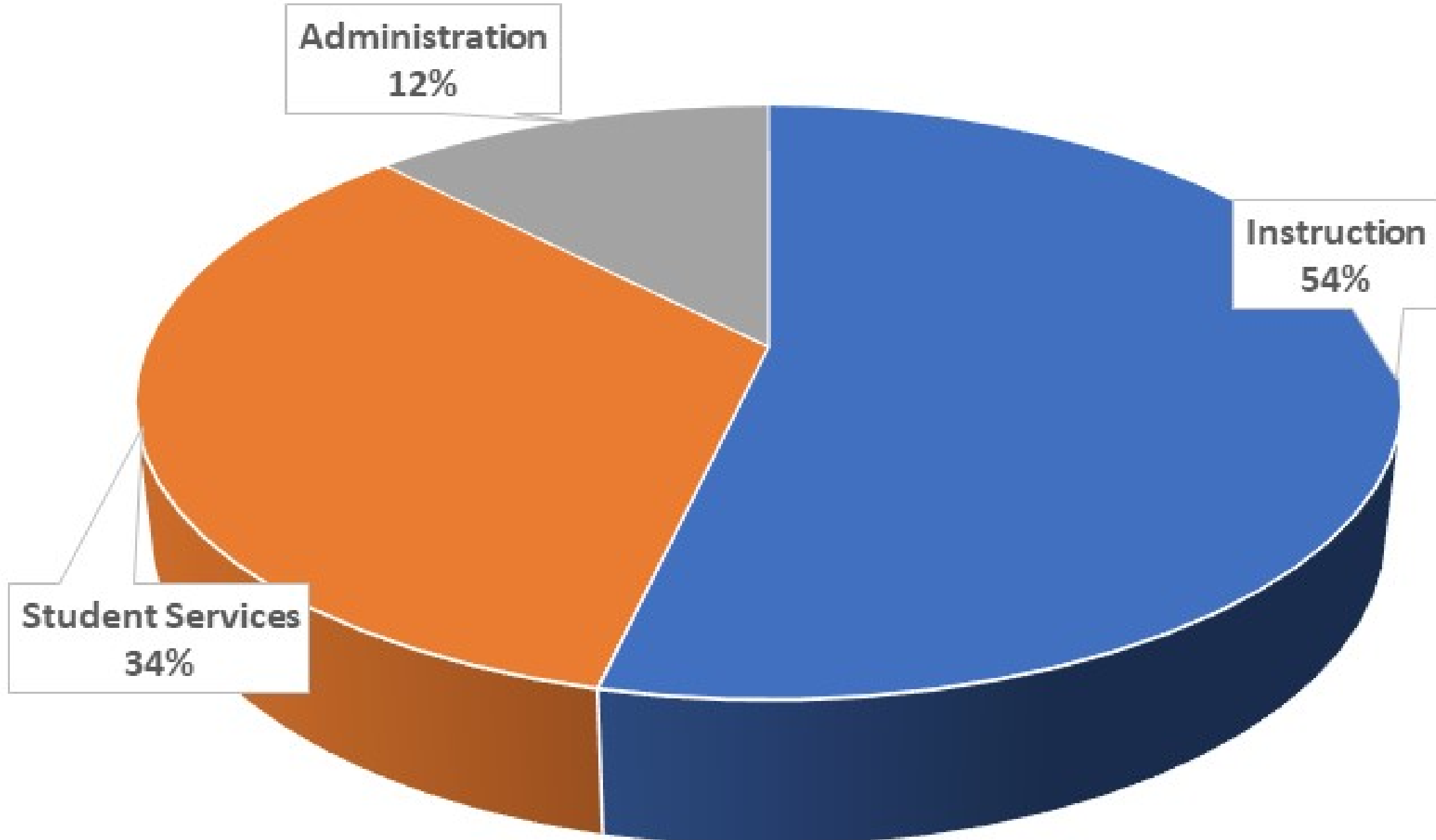
Fund 7: Student Financial Aid

Fund 8: Retirement Reserve Funds

FY20-21 Skyline Fund Utilization: \$83.9 million



FY20-21 Skyline Fund Utilization by Division: \$83.9 million



Budget 101

- Fund 1: Unrestricted General Funds
 - District-wide unrestricted revenue: \$219,222,127
 - Primarily derived from property taxes and enrollment fees.
 - Using a state-wide formula, SMCCCD is one of a few districts where property taxes and enrollment fees are deemed sufficient to operate the Colleges. The district is community-supported and does not rely on state apportionment.

Budget 101

- Fund 1: Unrestricted General Funds
 - At **Skyline College**, approximately:
 - 65% will fund salaries
 - 22% will fund benefits
 - **87%** of Skyline unrestricted funds directly support employees, sometimes referred to as “*Position Control*”

Budget 101

- **Fund 3: Restricted Funds**
 - Generally refers to Grants and Contracts, and typically feature ‘terms’ for use, and are therefore “restricted” or “term-restricted.”
 - Skyline utilized \$18.2 million in restricted expense in FY20-21.
 - These sources mostly originate with State of California through categorical funding, and the federal government, through grants.

Budget 101

- **Fund 3: Restricted Funds**
- For FY21-22, all grant and categorical sources will fund more than \$8.05 million of salary and benefits and make possible the continuation of 60.8 FTE employees, including 18.0 faculty FTE.
- For the Adopted FY21-22 budget, a total of 73 fund sources are budgeted in Fund 3, the average funding amount is \$348k, with a median a \$152k.

Budget 101

- **Fund 4: Capital Projects**
 - Buildings and other durable assets that will be amortized and depreciated over many years. Also includes equipment.
 - Fund 25 includes “Debt Service” which is the cost of borrowing.
 - Like other community colleges, SMCCCD has utilized voter-supported capital outlay bond measures to fund new construction and modernize existing campus facilities. This is debt (borrowing), similar to a mortgage.

Fund Characteristics

- Fund 1 or General Unrestricted Fund **cannot** be used for direct aid to students, such as financial aid or grants.
- Under the district allocation model, Fund 1 is augmented for any compensation adjustments which includes COLA, LSI (Long service increments), step & column adjustments and benefit cost increases.
- All other funds must cover these costs within their budget allocation.
- Total expenditures in each fund should not exceed its budget allocation.

Budget 101

- ***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 more than 100 budgeted Fund Sources
 - **Fund 10002** designates Unrestricted General Funds at Skyline

Questions?

Thank you!

FY 2020-2021 Yearend Report

VPA Eloisa Briones



Fund 1A FY2020-21 Result of Operations

Adopted Budget Site Allocation was \$51,099,837.

Budget augmentations during the year totaled \$2.959 million.

Expenses totaled \$51,633,261.

Remote operations and, in a few cases, delayed hiring, created one-time savings of approximately **\$2.426 million**.

- This total is *net* of future commitments that include \$1.85 million to support Board of Trustees request.
- These one-time funds can be made available to assist with recovery expenses during FY21-22.

Fund 1A – 10002 and 17002, FY20-21. Year End Actual

As of June 30, 2021**

Account Series	Account Desc	AcctLev2	Adopted Budget	Budget Adjustment	Adjusted Budget	Year End Actual*	Ending Balance*
1000*	Certified Salaries	1100's	\$ 9,744,200	\$ 81,444	\$ 9,825,643	\$ 9,462,913	\$ 363,730
		1200's	\$ 6,806,472	\$ 144,884	\$ 6,950,356	\$ 6,970,889	\$ (20,533)
		1300's	\$ 187,372	\$ 7,505,305	\$ 7,692,677	\$ 7,688,120	\$ 4,447
		1400's	\$ 452,458	\$ 306,517	\$ 758,975	\$ 757,000	\$ 1,975
		1800's	-	-	-	-	-
		1900's	\$ (92,988)	\$ 955,747	\$ 862,759	-	\$ 862,759
2000*	Classified Professionals	2100's	\$ 8,326,160	\$ (21,191)	\$ 8,304,969	\$ 8,384,741	\$ (79,771)
		2200's	\$ 885,471	\$ (69,277)	\$ 816,195	\$ 831,270	\$ (15,075)
		2300's	\$ 257,410	\$ 215,564	\$ 472,974	\$ 486,842	\$ (13,869)
		2400's	\$ 244,750	\$ 29,794	\$ 274,544	\$ 268,050	\$ 6,494
		2800's	-	\$ (3,968)	\$ (3,968)	\$ (3,968)	-
		2900's	-	\$ 572,537	\$ 572,537	-	\$ 572,537
3000*	Benefits	3300's	-	-	-	-	-
		3400's	-	\$ 126,058	\$ 126,058	\$ 122,945	\$ 3,113
		3500's	-	\$ 0	\$ 0	\$ 0	-
		3600's	-	\$ 2	\$ 2	\$ 2	-
		3800's	\$ 10,455,474	\$ 709,467	\$ 11,164,941	\$ 11,162,316	\$ 2,625
		3900's	-	\$ 80,515	\$ 80,515	\$ 4,612	\$ 75,903
4000*	Supplies and Materials		\$ 1,053,363	\$ (166,793)	\$ 886,569	\$ 137,339	\$ 749,229
5000*	Services and Contracts		\$ 1,157,663	\$ 69,847	\$ 1,227,510	\$ 672,535	\$ 554,975
6000*	Equipment		\$ 21,000	\$ 32,610	\$ 3,610	\$ 3,610	-
7000*	Transfers		\$ 287,318	\$ (170,925)	\$ 116,393	\$ 116,393	-
Org 2001	All		\$ 11,314,713	\$ (4,438,954)	\$ 8,875,759	\$ 4,517,656	\$ (641,897)
Total			\$ 51,099,839	\$ 2,959,180	\$ 54,059,017	\$ 51,633,266	\$ 2,425,751

*Org 2001 General Administration excluded. ** Period 12, year-end, pre-close

Dean Control – Supplies, Materials, Hourly et al. by Org

As of June 30, 2021

Organization	Organization Title	Adopted Budget	Budget Adjustment	Adjusted Budget	Year End	Ending Balance
2144	President's Office	\$ 155,872	\$ 8,900	\$ 161,772	\$ 78,548	\$ 83,225
2147	Planning/Resrch/Inst Effectivenss	\$ 39,828	\$ 33,914	\$ 73,742	\$ 48,718	\$ 25,024
2150	College Devl Marketing & Public Rel	\$ 280,675	\$ 15,270	\$ 295,945	\$ 205,713	\$ 90,232
2229	Administrative Services	\$ 218,262	\$ 101,288	\$ 319,650	\$ 59,677	\$ 259,973
2333	Enrollment Services	\$ 164,214	\$ 67,913	\$ 232,128	\$ 120,260	\$ 111,869
2335	Student Equity and Support Programs	\$ 49,500	-	\$ 49,500	\$ 32,645	\$16,855
2340	Counseling	\$ 254,987	\$ 3,901	\$ 258,889	\$ 162,901	\$ 95,987
2345	Office of the VP Stdnt Svcs	\$ 47,544	\$ 21,317	\$ 68,861	\$ 28,381	\$ 40,480
2411	Business/Industry Relations	\$ 221,710	-	\$ 221,710	\$ 220,959	\$ 751
2412	Strategic Prtrships & Wrkfrc Dev	\$ 42,185	\$ 1,536	\$ 43,721	\$ 23,152	\$ 20,559
2413	Language Arts/Learning Resrc	\$ 76,940	\$ 9,804	\$ 86,744	\$ 3,985	\$ 82,759
2414	Sciends/Mathematics/Technol	\$ 389,114	\$ 7,562	\$ 396,675	\$ 258,604	\$ 138,072
2415	Global Learning Programs & Services	\$ 215,865	\$ 21,146	\$ 266,311	\$ 148,285	\$ 118,026
2416	Physical Ed/Rec/Athletics	\$ 245,165	\$ 46,893	\$ 207,744	\$ 150,263	\$ 57,481
2418	Social Science/Creative Arts	\$ 160,851	\$ 46,893	\$ 207,744	\$ 150,263	\$ 57,481
2419	Academic Support & Learning Tech	\$ 537,585	\$ 105,789	\$ 643,374	\$ 597,313	\$ 46,058
2441	Office of the VP Instru Svcs	\$ 74,147	\$ (3,506)	\$ 70,641	\$ 6,562	\$ 64,079
Grand Total		\$ 3,171,444	\$ 470,652	\$ 3,642,096	\$ 2,297,762	\$ 1,344,333

* Year End includes commitments. 2331 cler. Sub. Excluded, 5414 stu insur excluded

FY 2021-22 Adopted Budget Overview

- **Fund 1: General Unrestricted**
 - Under the district resource allocation for FY2021-2022, Skyline College's Fund site allocation is set to increase by \$2.86 million.
 - Compensation adjustments, including COLA, step/column and LSI (\$3.38 million) exceeded the increases for International Students, CPI and other adjustments resulting in a net decrease in our site allocation by \$(520,527).

Tracking Fund 1 Site Allocation Changes for Fiscal Year 2021-2022

Fund 1 Site Allocation	RA Step	Jan 28, 2021	Mar 24, 2021	Apr 27, 2021	TENTATIVE Jun 2021	ADOPTED Jul 27, 2021	ADOPTED Aug 10, 2021
FY 2020-2021 Adopted Budget		\$ 51,525,669	\$ 51,525,669	\$ 51,099,837	\$ 51,099,837	\$ 51,099,837	\$ 51,099,837
Compensation adjustments (Pass-throughs)							
COLA – AFT/Non-Rep/Admin	Step 6		-	-	-	\$ 2,703,766	\$ 2,703,766
COLA – CSEA	Step 6		\$ 604,309	\$ 604,309	\$ 604,309	\$ 604,309	\$ 604,309
LSI/Step/Column	Step 6		\$ 73,153	\$ 73,153	\$ 73,153	\$ 73,153	\$ 73,153
Sub-total			\$677,462	\$ 677,462	\$ 677,462	\$ 3,381,228	\$ 3,381,228
Other Changes to Site Allocation							
International student revenue	Step 4		\$ 54,218	\$ 54,218	\$ 54,218	\$ 54,218	\$ 156,588
CPI (Consumer Price Index) adjustment	Step 6		\$ 108,068	\$ 108,068	\$ 108,068	\$ 264,320	\$ 272,580
2020-2021 PT to FT faculty conversion	Step 6		\$ 280,000	\$ 280,000	\$ 280,000	\$ 280,000	\$ 280,000
Final adjustment	Step 7		\$ (206,976)	\$ 765,544	\$ 707,364	\$ (1,489,881)	\$ (1,229,695)
Sub-total			\$ 235,310	\$ 1,207,830	\$ 1,149,650	\$ (891,343)	\$ (520,527)
Increase in site allocation		\$ 1,039,391	\$ 912,772	\$ 1,885,292	\$ 1,827,112	\$ 2,489,885	\$ 2,860,701
FY 2021-2022 Site Allocation		\$ 52,565,060	\$ 52,438,441	\$ 52,985,129	\$ 52,926,949	\$ 53,589,722	\$ 53,960,538
Prop 30 Allocation				\$ 419,021	\$ 423,470	\$ 423,470	\$ 425,311
FY 2021-2022 Site Allocation (total)				5	\$ 53,350,419	\$ 54,013,192	\$ 54,385,849

FY 2021-22 Adopted Budget

The Board of Trustees will formally adopted the SMCCCD Budget for FY 2021-2021 on September 9, 2021. The report is available in the district board packets, and at

[https://smccd.edu/financialservices/annualbudget.p
hp](https://smccd.edu/financialservices/annualbudget.php)

Next Meeting

Thursday, September 30, 2021

2:10 p.m.

Zoom